Business Better in Canada Page 7

High Yields on Bank Stocks Page 12

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGE 16

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The Nation's Business

Case Not Proven for Acreage Cut
Should Executives Quit Work at 62?
Publicity Would Aid Fire Underwriters

Wheat Acreage Agreement Pending

DESPITE protests and scepticism from leading western newspapers, latest reports from London would indicate that for weal or woe, Canada is to be committed to a far-reaching wheat acreage curtailment plan. Chances of an all-round 15 per cent acreage reduction plan beginning in the new crop year, are said to be good.

Western criticism to the plan is briefly: that difficulties to such a proposal are well-nigh insurmountable; that Canada stands alone in her dependence on wheat exports and therefore should not be a party to such plans; that the superior quality of Canadian wheat and the country's preferred position from the viewpoint of low production cost mitigate against Canada "throwing up the sponge" as one western paper puts it.

* * *

FROM the viewpoint of permanent policy all these objections are valid and have been stressed from time to time by The Financial Post. However it must not be overlooked that Canada will enter the crop year with the bulk of the world surplus of wheat on her hands and to use the words of John I. McFarland, government wheat administrator, "It is high time that advocates of continuing over-production should come forward with something constructive and favor us with a solution."

One excellent solution would be, of course, the removal of prohibitive tariff and quota barriers which have been erected in European importing countries in recent years and apparently Canada's participation in the curtailment is to be predicated on assurances from these countries that any acreage curtailment by exporting countries will be met by a corresponding lowering of these barriers. Another vital plank in the Canadian proposal according to a cabled dispatch from The Financial Post editor at London is that Canada will agree to do nothing except appeal directly to farmers for their co-operation without recourse to penalties, bonuses or other artificial methods of reduction.

At this distance it seems hard to understand how any really effective plan can be achieved on the rather flimsy base of an "appeal" to Canadian farmers. If true, such a course of action indicates the minimum of government interference as far as Canada is concerned, in the business of wheat growing, and if past experience in artificial restriction schemes is any criterion, the less interference the better. If such a plan will actually achieve a more reasonable attitude on the part of importing countries toward Canadian wheat, it may be worth consideration as a temporary measure. Final judgment can reasonably be reserved until more complete information is available as to what has been accomplished.

* * *

Turning Older Men Out to Grass

IMPERIAL Oil's new policy of retiring on pension every employee, no matter how highly or how humbly placed, when said employee reaches 62 years of age, is complementary to its policy of spreading employment by having a five-day week. Executives of Imperial Oil and of its proto-type in the United States, Standard Oil of New Jersey, are understood to be entirely satisfied with results achieved to date by the institution of the five-day week. It has not only spread employment but has resulted in an appreciable improvement in the health of many employees.

Cutting short the official life of employees at 62 years of age, however, has two sides to it. Undoubtedly it does add to the employment available for younger men and the quicker tempo of promotion to the higher offices in the employ of the company is no doubt also a spur to intensive effort by the younger men. Napoleon well knew the value in an army of making every soldier feel that, potentially, he held a

(Continued on page 2, col. 3)

Current Opinion

G. S. MOFFATT, retiring president, confectionery, biscuit and chocolate industries association—"Losses in the industry have been staggering but at the moment there appears to be a rift in the clouds. The industry should expand with the general expansion in business but it should move cautiously."

BRAZILIAN'S REVENUE DOWN CASH DOUBLED

Nominal Exchange Quotations Make Translation Into Canadian Dollars Dubious

TAXES MOUNT

Huge Depreciation and Other Reserves Being Built Up—Continues Expansion of Capital Assets

Though all calculations in Canadian dollars as to gross and net earnings of Brazilian Traction Light & Power Co. must be tentative and subject to later review while the exchange value of Brazilian milreis continues on a nominal basis, it is interesting to note that the company calculates that net earnings in 1932, less the dividends of $23,604 paid on preference shares, are equal to 76 cents a share on the average outstanding ordinary share capital for the year as compared with $1.41 a share in 1931. It is to be noted that the number of shares outstanding increased during 1932 from 6,754,625 shares to 7,027,660 shares and there was no change in the convertible preference stock on which dividends were paid regularly.

CONS. INCOME & SURPLUS ACCOUNT
(Excluding Inter-Company Items)
Years Ended Dec. 31

	1932	1931
Aver. value of Milreis (N.Y.)	....	7.11 cts.
	$	$
Gross earnings	29,358,420	34,,896,767
Net earnings	16,789,333	20,910,417
Add: Misc. rev.	174,583	105,944
Total revenue	16,963,916	21,016,361
Less: Bond int. & other chgs.	3,132,917	3,374,070
Deprec. & s. f.	8,155,144	7,850,999
Net revenue	5,675,855	9,791,292
Add other inc.	371,425	489,926
Total income	6,047,280	10,281,218
Less: Gen. & admin. exp.	357,812	442,115
Amortiz. res.	450,000	450,000
Net profits	5,239,468	9,389,103
Less approp.:		
Pref. divds.	23,604	23,604
Com. divds.	†3,593,766	†7,288,308
Surp. for year	1,622,098	2,077,191
Add: Prev. surp.	15,759,744	13,682,553
Balance forward	17,381,842	15,759,744

†Includes stock dividends of $3,916,525 in 1931 and $1,907,029 in 1932.

Business Improved

Although the above statement shows gross earnings to have declined 15.87 per cent and net earnings 19.71 per cent, the report of directors to shareholders, signed by A. W. Adams, secretary, states that there was some improvement in business of subsidiary companies during 1932 and particularly toward the end of the year. This improvement, he states, has continued during 1933. The company has not been so happy in curbing expenditures, the increased taxes and contributions necessary under the pensions law of the Government having borne heavily on operating results. This will be even more apparent in 1933 because the company will be under the necessity of providing reserves against possible increases in taxation and other charges for which the subsidiary companies may become liable.

The report of Miller Lash, president, also states that subsidiary companies had a small increase in business in all departments with the exception of gas sales, which showed a small decrease.

As the exchange situation continues to be the chief problem of the company and of its shareholders, it is interesting to note that Mr. Adams expresses the view of the directors that "it is to be hoped that as general and economic conditions throughout the world show improvement the position of Brazil with regard to the quantity and value of its exportable products will also improve and thus alleviate the present serious exchange difficulties."

Bank of Brazil Dominates

There was an improvement in exchange quotations in London due to the decline in sterling and for exchange on New York City (sight drafts) the official average rate

(Continued on page 2, col. 5)

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Oil Personalities

Imperial Oil is changing executives. An authoritative sketch of the men who will guide Canada's largest oil organization. Should business leaders be retired at 62? The Nation's Business Column.

Business Better

Statistical analysis of key factors in Canada's business structure indicate some surprising changes in activity. Return of economic confidence in evidence. Page 7.

Newsprint

Official statistics of the industry foster investors' hopes. Analysis Page 4. Will the industrial revival programme in the United States bring licensing of Canadian exports? Page 1.

Ottawa Economy

How the campaign to clip $14,000,000 off Government expenses is being conducted at Ottawa. Footnotes to Ottawa column. Page 15.

Distilleries

Merger of important Canadian distilling companies appears to be near completion. Effects of currency stabilization on the market for distillery shares. Page 1.

Protect Investor

A group of prominent Canadian barristers, economists and financiers suggests safeguards for investors which should be incorporated in our companies and securities acts. Page 12.

World Parley

Chances for currency stabilization, plans for silver, and the position of the Canadian dollar analyzed in a cable from London. Page 1.

Bank Stocks

High yields still exist in spite of the reductions of dividends. Bank shares have risen, but not as much as other securities. Comparative records. Page 12.

THINK GERMANY WILL CONTINUE BOND INTEREST

Dawes and Young Foreign Loans Likely to Get Interest

TRANSFER PROBLEM

Germany is likely to continue servicing interest charges on her long term Dawes and Young plan bonds, according to close observers. These are the external 7's of 1949 and 5½'s of 1965 of which a number are held in Canada. It is understood that the sinking fund payments on the Young plan bonds may be suspended however. Dr. Hjalmar Schacht, president of the Reischbank, is reported to have made a tentative suggestion that these sinking fund payments be paid in blocked marks, transfer into other currencies to be made later.

Negotiations have been concluded with Germany's short term creditor-bankers in connection with standstill agreement advances. These resulted in suspension of payments due under the Deutsche Golddiskontbank guarantee until Feb. 28, 1934. This modifies the 1933 standstill agreement.

The importance of standstill agreements to holders of German and Young plan bonds is that there is understood to have been a tentative agreement exempting interest on the issues from the moratorium on external payments. If this is the case, the short term creditors are conceding something to the long term creditors.

Any suggestion that sinking fund payments on the Young bonds be paid in blocked marks will have to be approved by the Bank of International Settlements, it is understood. There will also have to be approval from the Hitler Government.

Bonds Quoted Higher

A sharp rise in quotations for German 7's of 1949 and 5½'s of 1965 has taken place in New York recently. This reflects news that the service on the bonds will probably be maintained. The bonds rose, however, shortly after the moratorium was announced by Germany, and before settlement was certain.

Previous to the declaration of the moratorium, there was a marked weakness in these two issues. After the declaration strength appeared. This is not an unusual stock and bond market phenomenon. Market psychology frequently anticipates bad and good news. When the news is out, the market often reverses itself. This is apparently what occurred in the case of German bonds.

At the time of the weakness in

(Continued on page 2, col. 3)

DISTILLERIES GETTING CLOSE PLAN TO MERGE

Reports Keep Stocks Active While Exports to U. S. Grow

INVENTORY OFFERS

Canadian and United States stock markets were marking time as The Financial Post went to press, while traders awaited more definite indications as to what currency arrangements will be made at the Economic Conference in London. Market students expect that a trading range will be established under recent highs until it becomes apparent what degree of stability or inflation in the monetary field will be obtained. In Canada there is a similar absorption among traders in monetary problems as they affect the stock market except for the distillery stocks, which for other reasons maintain their popularity.

Traders apparently are satisfied that the long mooted merger of six leading distilleries is near completion. In fact, confident reports circulate that all the big distilleries have agreed on a basis and that only one or possibly two smaller distilleries have not yet come to a final agreement. Brewers & Distillers, of Vancouver, once ready to enter the merger and wanted, because of its strategic position on the Pacific Coast, is reported to have later reconsidered the original terms offered and to be trying for a new deal.

Offers from United States

In the meantime, demand from the United States has increased, according to reports, and the value of inventories of various companies has been given a decided current value by offers from United States interests. It is said that Canadian Industrial Alcohol has had an offer at $2.50 a gallon for its inventories and that a similar offer can be obtained by any large distillery company. Walker's values its inventories on the balance sheet at 50 cents a gallon.

It is understood that organization in the United States to control whisky sales has gone a long way. The Canadian situation has been carefully studied by them and Canadians believe their own position will be strengthened by a merger. The right of American druggists to dispose of whisky for medicinal purposes has caused a larger present demand as well, and in the United States that permission is operating much as it did in Canada when prohibition was strongly in force. In other words, the whisky trade is functioning to a certain extent already on a quasi-legal basis, even before the repeal of the 18th amendment to the United States constitution.

Because of the attitude of the Democrats in the last election and the changed attitude of the government toward the liquor traffic, it is reported that enforcement along the border of the laws against import of strong liquors has been greatly relaxed. This does not affect Canadian companies directly but indirectly it has had a stimulating influence on sales.

Traders Are Cagey

Brokers report that traders are much cagier than they were in the boom days of 1929. That experience still rankles with many and they do not stay long with stocks they purchase. There is a greater tendency to go in and out of the market from sheer nervousness lest the market will break. And yet for 15 consecutive weeks the general tendency has been consistently upward. After such a prolonged rise it is natural to expect that the market will be more susceptible than usual to reports of international dissension on plans for world reconstruction but the tendency of investors to be careful has been a strength under present conditions.

Sweezey Forming Group Take Over Price Brothers

From Our Own Correspondent

MONTREAL. — Several groups continue to keep an eye on the valuable Price Bros. and Co.'s property which was placed in the hands of a trustee in bankruptcy upon the failure of the company to meet obligations in respect to its bonded debt.

R. O. Sweezey, promoter of the Beauharnois Power enterprise and long associated with the pulp and paper industry, is understood to be actively engaged in forming a syndicate with the idea in mind of taking over the property. He is said to have secured the support of several prominent Montrealers, but so far as can be ascertained, no concrete plan has been drawn up for presentation to the trustee or the bondholders committee.

Other Groups Interested

Others mentioned as being interested in the future of Price Bros. and Co. include the Duke-Price Power Co., International Paper, and one or two private groups. Duke Price's interest in the property is an outlet for its power, the company having a contract for 100,000 h.p. It is unlikely that International Paper has more than a passing interest in the property, while the others are interested in getting the property on the bargain counter.

Lord Beaverbrook, owner of a large block of common stock and the company's principal customer for newsprint, is understood to be interested in the future control of the property. Since his attempt at reorganization several months ago, the English Peer has not taken a prominent part in the company's affairs, though his brother, A. Aitken, was president of the concern until the appointment of the receiver.

Operations of the company are under the guidance of Hon. Gordon Scott, who was appointed trustee in bankruptcy by the courts. Production is limited to the Kenogami plant and the ratio of operations is understood to be in line with that experienced by other manufacturers. Working capital is being supplied by the banks.

GOVERNMENT WILL CARRY WHEAT HELD

Gentleman's Agreement With Trade Not Expiring Until July

NO DUMPING

But John McFarland Hopes to Work Off 150,000,000 Bushels During Year

From Our Own Correspondent

OTTAWA—With hopes for a final liquidation of Canada's wheat carryover resting largely upon acreage control negotiations, a possible world shortage and with practically no prospect of an immediate change in the government's selling policy, the problem of unloading approximately 150,000,000 bushels of surplus grain is being anxiously studied by the cabinet, the banks and the three prairie provinces.

In the last few days there has been a notable tendency to criticize the government for continuing to carry this vast surplus of wheat when prevailing prices at Fort William offer a clear margin of profit. It is admitted that if John I. McFarland, the government administrator at Winnipeg, could unload the carryover on world markets at present prices he would not only pay all carrying charges and recoup the treasury for the capital sum involved when he took over the old wheat pool surplus at 55 cents per bushel, but would show a profit on the entire transaction. In fact it is conceded that Mr. McFarland could cut export prices by several cents and still come out on the right side of the ledger.

Agreement Condition

But the government has no intention of forcing the carryover on the market at the present time, and no action of this kind is considered to be possible until the beginning of the new crop year in August.

There are several important factors in the government's wheat problem and not the least important is the fact that a gentleman's agreement was entered into in the late summer of 1932 whereby the government agreed to continue to hold the bag while the ordinary trade went ahead with the sale of the 1932 crop. There was to be no competition between Mr. McFarland and the trade and the government undertook not to play the part of the bear on world markets. It was upon this distinct understanding that the 1932 crop was financed by the banks and handled by the trade and any sudden reversal of the policy is most improbable.

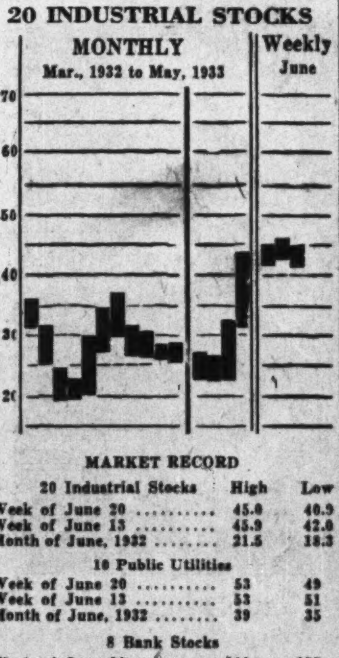
Inflation Causes Price Rise

Government officials and influential members of the grain trade, in discussing the wheat situation, point out that the recent advance in prices has been very deceptive. In point of fact the foreign demand for Canadian wheat, while larger than last year, by approximately 60,000,000 bushels, is not nearly large enough to make an impression on the carryover. In fact there has been little actual improvement in world prices. As between 50 cents per bushel and today's price, the difference is almost entirely the result of inflation. There has been a greater inflation of the Canadian dollar than is popularly supposed. On the gold basis the Canadian dollar is said to be worth about 70 cents today and the United States dollar something over 80 cents.

This point is emphasized to illustrate the fact that the recent rise in prices has not been due to an increased world demand but, rather, to the greater yield of foreign currencies when converted into our money. The ordinary export demand is not nearly large enough to absorb the carryover and it is believed that if the government should withdraw from the gentlemen's agreement and throw large blocks of surplus wheat on the market the only result would be to take the export business from the grain

(Continued on page 2, col. 6)

Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of June 20	45.0	40.9
Week of June 13	45.9	42.0
Month of June, 1932	21.5	18.3
10 Public Utilities		
Week of June 20	53	49
Week of June 13	53	51
Month of June, 1932	39	35
8 Bank Stocks		
Week of June 20	180	177
Week of June 13	179	174
Month of June, 1932	154	143

Canada Won't Bonus Farmers of Prairies To Cut Wheat Acres

Possibility of Agreement to Reduce Acreage 15 Per Cent to Eliminate 350 Million Bushels of Surplus —

Great Britain Willing to Inflate Credit But Fears Dizzy Pace of United States

By FLOYD S. CHALMERS
Editor, The Financial Post

Highlights of The Post's cabled London dispatch are:

(1) Good chances of agreement to reduce world wheat acreage and cut surplus.
(2) Canada favors crop reduction by appeal to farmers. No bonuses, no penalties.
(3) Great Britain willing to reflate through credit system.
(4) Currency stabilization lags. R. B. Bennett believed ready to tie Canadian dollar to sterling or United States currency, depending on developments.

LONDON. — Chances are good that agreement between the four major wheat producers, Canada, Australia, Argentina and the United States, will be reached to reduce wheat acreage 15 per cent below the average of the last three years.

Possible agreement to reduce wheat acreage 15 per cent, starting with the 1933-34 crop year, would aim at elimination of 350 million bushels abnormal surplus wheat of the world. Canada, Australia, Argentina and the United States are willing to agree on the acreage cut, if smaller exporting nations will co-operate, and if importing countries will give commensurate reductions in wheat quotas and tariffs.

Appeal to Farmers Only

Premiers of the western Canadian provinces have cabled London that co-operation of Canada in wheat acreage curtailment would rely on an appeal to farmers. No subsidy, no penalties are proposed. Like Australia, representations by Canada emphasize that the scheme is for the short range only, and to remove surplus. In the long run Canada does not agree with restriction of wheat growing, which is a vital factor in western economic life.

Confidential wheat conversations are continuing under the threat from the Americans that, failing co-operation from other countries, they will proceed with a domestic allotment plan and will dump surpluses in the Orient and elsewhere, regardless of world prices.

R. B. Bennett is merely carrying on the wheat negotiations on behalf of the Canadian western provinces. He feels that what the West wants to do is their own concern. The Canadian delegation is acting in accordance with western governmental wishes, which apparently do not include any scheme for bonusing acreage reductions.

Currency Stabilization Falters

Currency stabilization falters. Washington is not anxious to stem the tide of rising prices which has all along been one of the prime objectives of the administration. Great Britain is willing to carry on credit reflation to raise her internal price level. But the dizzy pace which Washington has set is too much for her. British fears it. If British reflation is carried out, a credit inflation is preferred, not a currency expansion.

Federal Reserve officials, who have been conferring with Bank of England executives on stabilization, are apparently not authorized to speak for Roosevelt. Nobody knows who is. The British Government, moreover, is not necessarily behind Governor Montagu Norman of the Bank of England. The conversations among the bankers are continuing, as all participants recognize that the alternative to stabilization is competitive currency depreciation and ultimate chaos.

Canada's Dollar

Under a de facto stabilization, Canada is ready to attempt holding her dollar midway between the pound sterling and American dollar. Mr. Bennett is believed to favor a Canadian dollar at par with the American unit ultimately. But, if reciprocity should fail, he would not hesitate to tie the Canadian dollar to sterling, even if it would mean default of many private Canadian obligations in the United States.

Continental propaganda against the Ottawa Imperial Conference agreements has disturbed British and Canadian quarters.

The resolution favoring early restoration of monetary standards presented by Senator Key Pittman of the United States delegation, is significant. It is the first step leading up to the United States silver proposal, which favors a world monetary inflation through utilization of the white metal. Silver was one of the chief reasons for Pittman's appointment to the delegation.

Aims of Silver Scheme

The silver scheme of the Americans will aim at cessation of debasement, increased use for token coinage, and use of up to one-fifth silver against four-fifths gold, in central bank reserves and for note "cover."

The basis for the scheme is a belief that gold has been used both as a measure of value and for reserves. The idea of the Americans is to retain gold as a measure of value, and for exchange settlements, but to lighten its reserve function by using silver.

The American proposal is to reduce the reserve against notes from about 40 to 25 per cent. Of this 25 per cent, up to one-fifth would be silver and the remainder gold. One of the puzzling features is what value would be placed on silver for reserve purposes.

Means Vast Elasticity

Monetary gold stocks of the world are about 12 billion dollars. This could be raised to 15 billions by the addition of silver on the American plan. On a 25 per cent reserve basis, this would allow issuance of up to 60 billion dollars in currency. The elastic meaning of this is evident when it is realized that the total world volume of currency is now estimated at about 14 billion dollars.

The available silver in the world is estimated at 12 billion ounces. It would require half of this, at 50 cents an ounce, to fulfill the complete demands of the American plan. Such an amount could not be acquired quickly, and purchases on a large scale would send the price skyrocketing above 50 cents.

The effect of the whole plan would be similar to reduction of the gold content of currencies. It amounts to placing a premium on silver at the expense of gold. As stated in last week's dispatch, it also aims at raising the purchasing power of the Orient. But it is not unanimously agreed that this would be the effect.

Moley to the Rescue

The decision of Raymond Moley, United States Assistant Secretary of State, to come to London earlier than had been expected is probably due to a desire to smooth out the differences of the American delegation. The Americans, uninstructed, have been issuing statements at cross purposes. There is some humor in the fact that Roosevelt's Man Friday, who is merely the Assistant Secretary of State is being sent to adjust the differences of the delegation headed by the Secretary of State himself.

The American delegation is the laughing stock of the conference. British newspapers are asking who speaks for America? Nobody has provided the answer yet.

The conference is getting down to hard work, and prospects are looking brighter, but unforeseen problems are bound to develop.

Communications Merger For Empire is Rumored

United States Story About Telegraph Monopoly in Dominion is Premature — Sir Joseph Flavelle, Canadian Marconi Head, Refuses to Comment on Reference to His Company

Report in United States newspapers is premature that Imperial and International Communications, Ltd., formed in London in 1928 to acquire the communications properties of a number of cable and wireless systems, is now prosecuting energetically a plan to get control of all Canadian telegraph companies and of Canadian Marconi. The discussion in the United States of the advisability of a merger of Western Union and Postal Telegraph & Cable was stated recently by the New York Herald-Tribune to have given rise to some agitation for a similar move in Canada.

When the article of the Herald-Tribune was brought to the attention of Sir Joseph Flavelle, chairman of the board and president of Canadian Marconi, he refused to comment on it.

The position of Canadian Marconi is undoubtedly interesting from an Empire point of view. It is the only wireless or cable company in the British Empire which is not controlled by Imperial and International. The latter now controls more than 50 per cent of the world's cable mileage and world-wide wireless systems.

Imperial has two cables running from England to Canada, but it is argued by advocates of a merger of six telegraph companies in Canada and the establishment of a monopoly that in such case Canadian Marconi could handle all foreign messages direct to any part of Europe more expeditiously than can the cable companies.

Montreal opinion canvassed is to the effect that no such plan as that mentioned is at present on the tapis.

MAY LICENSE NEWSPRINT EXPORTATION

Plan Regarded as Practical in Order to Meet Situation

POWER TO CONTROL

See Trouble in Meeting American Code if Insurgents Not Kept in Line

From Our Own Correspondent

MONTREAL.—Plan for licensing Canadian newsprint manufacturers doing an export business, more particularly with the United States, is under consideration.

This proposal is in a tentative stage and whether or not it takes concrete form, will depend almost solely upon the action taken by the Association of Newsprint Manufacturers in the United States. The latter organization, representing nearly all of the operators in the United States, has created committees to set up a code of fair competition and for agreements and licenses under the Industrial Recovery Bill passed by the last session of Congress.

Can Create Cartel

It is recognized that in this bill the American industry has the means of placing newsprint manufacture on a stabilized basis. The legislation permits the setting up of machinery to control fair competition and to regulate agreements and licenses.

What this bill permits in effect is the creation of a cartel much along the lines of those which have been operating in Europe for many years past. The American scheme differs from the ordinary cartel in that it will have the backing of the United States Government, whereas the latter is purely voluntary.

Problems to Overcome

Some time will necessarily elapse before details are known as to the formation of the American Code. There are many knotty problems to be overcome. It is apparent from the terms of the bill, however, that the manufacturers have been given wide latitude in organizing themselves to stimulate industrial recovery. Irrespective of what form the code takes, it is certain that the Canadian producer will be concerned, for the code approved by the director of the Industrial Recovery Bill will regulate the conduct of business by the Canadian manufacturer, who markets all or the great majority of his output in the States.

Power of Enforcement

The United States Government is determined to enforce the provisions of the bill. To that end great discretionary powers are left to the President to penalize those manufacturers who do not live up to the codes of their respective industries. This legislation applies with equal force to importers, who bring products into the country in such a manner or under such terms as to nullify the objectives of the bill.

The clause in the Industrial Recovery Bill is not quite clear respecting penalties. The President is given the power to prohibit, limit, or to place a duty on imports.

Broadly speaking, this means that if one or more Canadian newsprint operator markets his output in the States in such a way as to render ineffective any code or agreement, the whole industry may be penalized.

Want Mutual Protection

Obviously the Canadian industry cannot leave itself vulnerable to such a possible development. The suggestion has been made that the domestic manufacturers form an association similar to that in the States, and adopt the latter's code in so far as its regulations can be adapted to the Canadian industry. This would be a worthwhile move, but it is pointed out that a voluntary association of that sort would not be in a position to control recalcitrant members and thereby lay itself open to penalties which might be

(Continued on page 2, col. 7)

Investor's Index

INDUSTRIALS, UTILITIES, ETC.

Alex. Bldg. . . . 4
Assoc. Tel. . . . 11
Bell Tel. 11
Brazilian 1
Brewing Corp. . 14
Can. Paperboard 5
Can. Vickers . 3, 11
Can. Wineries . 14
Can. S.S. . . . 4, 11
Claude Neon . . 4
Con. Div. Sec. . 11
Dominion Life . 15
Essex Bord. Util. 11
Gypsum, Lime . 11
Imp. Oil 3
Imperial Bank . 12
Kingston Elev. . 11
Langley's 14
McColl-Front. . 11
Mar. T. & T. . . 4
Mt. Royal Hotel . 11
Nor. Can. Mtge. 3
Niagara Wire . . 5
Orange Crush . 5
Royal Insur. . . 15
S. Can. Power . 4
St. Cather.-Stan. 11
Silverwood's . . 5
Sterling Coal . . 15
Trust & Loan . . 9
United Fuel . . . 14
Whittall Can . . 10
Waterloo Mfg. . 5

MINES AND OILS

Cent. Manitoba . 16
Div. Gold Invest. 16
East Rouyn . . . 16
Int. Nickel . . . 16
Mayland 16
Macassa 16
N. Can. Aerial G. 16
Pandora 16
Reno Gold . . . 15
Siscoe 16

PRICE QUOTATIONS

Bonds 14
Grain 15
Mines 15
Stocks 14

REGULAR DEPARTMENTS

Answers to Enquiries 11
Business 7
Banking 12
Editorial 6
Grain and Milling 13
Insurance 10
Mining 16
Utilities and Transportation 4

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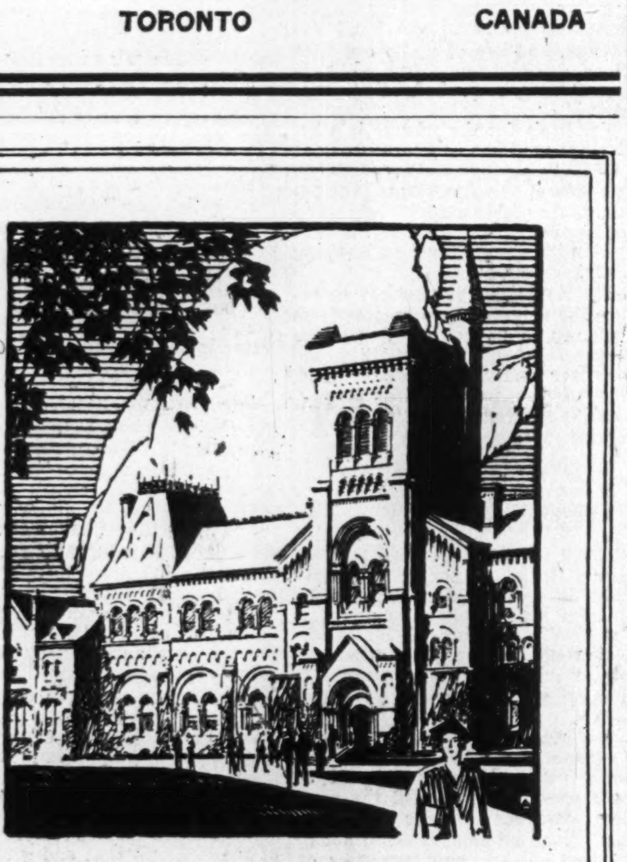

A GOAL FOR SAVINGS

A university education is an advantage which most parents would like their children to enjoy. Even with a small income, this is often accomplished by keeping a special Savings Account. Regular deposits, at compound interest, soon accumulate.

THE ROYAL BANK OF CANADA

The Nation's Business

(Continued from Page One)

marshall's baton in his knapsack. On individual ambition and initiative he buttressed his own extraordinary genius.

On the long view the policy of retiring employees at 60 years of age, adopted by Standard Oil of New Jersey in the United States, and at 62 years of age as adopted by Imperial Oil in Canada, does ensure enough activity in promotion to make the younger men do their very best. On the other hand, it makes every man over 50 years realize that there will be a full stop to his activities for the company on a certain date.

* * *

THE first fruits of the Imperial Oil policy awaken misgivings. The positions of president (vacated by C. O. Stillman) and of vice-president (vacated by Alex. M. McQueen) can and will be filled by highly competent executives of great capacity. But these men who are going out are also proven men of great experience. Their services should not be lost to the industry and it is probable that Imperial Oil will not forget that old pilots can sometimes be of great use to younger pilots in the way of advice.

The retirement of C. O. Stillman brings to an official end a career which has been co-extensive with that of the petroleum industry in Canada. He has been actively in the business for 52 years, rising from a position in a refinery yard to the presidency of the company and to directorship in many business and philanthropic organizations. It was Mr. Stillman who built the company's first and still the largest refinery at Sarnia in 1897 and followed this with the construction of six other refineries in a chain which now stretches from coast to coast.

In succession Mr. Stillman became director in 1899, vice-president in 1911 and president in 1919 on the death of the late Hon. W. J. Hanna, K.C. His wise management and general control of affairs have contributed largely to the company's growth. Undoubtedly, as a man full of years and honors, he is entitled to the honorable retirement he is getting and his counsel will be ready for the company he helped to build.

* * *

ALEX. M. McQUEEN is a younger man than Mr. Stillman. He has not been with Imperial Oil so long but practically the whole of his working life has been spent in the petroleum business. At 62 years of age he is at the height of his powers, highly regarded everywhere in the petroleum industry, and a man whose advice and opinion are definitely worth while having. How could it be otherwise in the case of a man who has supervised explorations for oil in Western Canada from the southern boundary to the Arctic circle and the development of the enormous oil fields of International Petroleum Co. in Peru and Colombia! He is an expert on the geology and general conditions of the Turner Valley and of the South American fields, and his knowledge of all aspects of the search for large petroleum fields in Canada is unique. His powers are bound to be used somewhere, but he will have to carve out a new career. Imperial Oil is sorry to lose him and he to leave the company. But a rule is a rule.

* * *

ALL over Canada companies have to make decisions connected with the advancing age of executives and employees. The ideal solution would be one that would enable a company or an institution to avail itself both of the energy, enterprise and ambition of younger men and the ripened judgment based on experience of older men. A hard and fast rule is bound to create hardship in individual cases. There are men who are old at 30 years and others who are young in mind at 80. Germany gained from having an octogenarian like Von Hindenberg as president after the war, Great Britain suffered not at all while Gladstone in his eighties gave vigorous administration and Canada has at the present time outstanding examples of men in their 70's and even their 80's whose advice, influence and enterprise are a strength to the institutions that employ them.

Doubtless the exceptions do not invalid rules but at least they do show that men of ripe wisdom should be kept near at hand. Relieve them by all means of details and of duties that try their strength, but men of this type should be kept in harness. To them effective assistance is a joy, they have found happiness in creative work all their lives and do not relish spending the whole evening of their days in the pasture field. The minds of such men are as keen as ever and do not keep pace with declines in physical vigor.

C. F. U. A. Holds Jubilee Meeting

THIS week leaders in the fire insurance business in Canada are gathering at Montreal to celebrate the jubilee meeting of the Canadian Fire Underwriters' Association. Founded in June, 1883, this body has performed valuable services to the insurance fraternity and to fire insurance policyholders in its fifty years of operation.

The pity is that more publicity is not given to the work of this extremely useful body. It would be of mutual advantage to insurers and component companies if a better basis of knowledge and appreciation could be established between those who entrust and assume respectively, a liability of something over $8,000,000,000 of insurance in force.

When reminiscing last year on the history of the association, John A. Robertson, veteran secretary-manager who retired only recently from active participation in the board's affairs, remarked that the famous Masten investigation into the ethics and uprightness of the association had proved a turning point in its career. Thus, instead of being a harmful influence as had generally been feared, the publicity attendant on the investigation gave a new lease of life to an organization that had got badly out of touch with the community it served.

* * *

THE board will doubtless discuss many important matters of vital interest to the insuring public when it deliberates at Montreal this week, yet no hint or word of these matters is supposed to pass beyond the four walls. An enterprising journalist was not long ago ejected from the association office for having requested a "story" about the annual meeting. Although it is one of the most important association bodies in Canada it is one about which least is known.

As Justice Masten remarked some 15 years ago, the operations of the association "have been and are to the advantage and in the interests of the public and such a combination tends to strongly maintain the solvency of companies, to stabilize rates, to eliminate discrimination and to assist in controlling the expense of carrying the business." The public could well afford to hear more about the goings on of this venerable and honorable institution.

Union Gas Sales Gained in 1932 By 6½ per cent

At the annual meeting of Union Gas Co. in Toronto on June 21, S. A. Morse, president, stated that the company had increased sales by 6½ per cent in 1932. Average prices were 5 per cent less but nevertheless the profits had been increased from 40 cents to 63 cents a share and the company had been able to reduce its special bank loan by $450,000.

The review covered operations of the Union Company and its London and Windsor subsidiaries and reported separately on United Fuel Investments of Hamilton, the controlled company.

Improved earnings, said Mr Morse, were the result of operating economies which had been effected without impairing the service or the efficiency of the plant.

Directors elected were Eugene Coste, D. A. Coste, G. R. Cottrelle, W. L. Duffield, S. A. Morse, R. L. O'Brian, F. E. Ogden, W. J. K. Vanston, and Arthur F. White.

Gold Value Of Can. Dollar Only 63 Cents

Latest quotations for French francs in Canada show that Canadian currency, in terms of gold, has depreciated 37 per cent while New York quotations of the same currency indicate a depreciation of 23.3 per cent in United States currency since that country left the gold standard.

While our relation to gold is not overly important as far as foreign trade is concerned owing to the fact that both United States and Great Britain, our two largest markets, are off the gold standard and apparently intend to stay that way, it is interesting to observe that the majority of the price increases which have taken place in the Dominion are the direct result of the loss in gold value of the dollar.

Since the beginning of the year. the Canadian dollar has fallen approximately 20 per cent in terms of gold and this has been reflected to a greater or lesser extent in the prices of commodities. Some commodities, of course, such as wheat, have made greater advances in price than would be represented by this 20 per cent decline in gold value of the dollar, but generally speaking most of our gains can be traced to this cause.

THINK GERMANY WILL CONTINUE BOND INTEREST

(Continued from page 1)

the market, in early May, The Financial Post indicated that a moratorium was pending. Germany's ability to pay has not been improved in the meantime, in the opinion of authorities.

The debt moratorium was declared largely because Germany could not obtain sufficient foreign exchange to transfer the interest and principal on her debts. There is said to be no question of Germany's ability to pay her obligations in reischmarks. But there is a scarcity of German credits abroad against which to transfer payment into foreign currencies.

Three means may be taken to allow Germany to collect the necessary credits abroad to meet her external debts: (1) arrangements to enable Germany to increase her surplus of export trade in goods and services: (2) continued reduction in the value of foreign currencies, which would reduce the size of transfers of funds; (3) new loans to Germany.

The last of these is, in effect, what has been done in suspending the short-term debt installments. But new loans alone will not solve the problems, in the opinion of experts. There must be some method of meeting the service on such new loans and the old loans by self-liquidating means, they believe.

Reductions in the value of foreign currencies cannot continue indefinitely. There is a zero point. But the recent decline of the United States dollar has made Germany's task easier in some respects.

The one method by which Germany can be enabled to meet her foreign debt payments with reasonable certainty is by increasing her export balance, according to economists. The land of the Nazis has tried to do this by raising tariffs and thus restricting imports. But the whole world did the same. This offset Germany's efforts by making it more difficult for her to export at the same time as it was being made more difficult for Germans to import.

CENTRAL PATRICIA MILL UNDER WAY

Central Patricia Gold Mines, while having its mill construction plans upset by the loss of some of the heavy equipment through the ice last spring, is making good progress at its property on the Crow River some 100 miles north of Allanwater on the C. N. R. Foundations are being put in for the mill and a good supply of timber has been sawn ready for construction.

The equipment lost through the ice early this spring included a ball mill, crusher and some allied heavy mill machinery. As these have to be taken in over the snow and ice roads it was impossible to duplicate the shipment in time for carrying out the mill construction plan this season.

BRAZILIAN REVENUE DOWN CASH DOUBLED

(Continued from page 1)

was 7.07 cents as compared with 7.01 cents in 1931. At the close of the year the official rate of the Bank of Brazil for sight drafts on New York was 7.52 cents and this rate has since been maintained.

The restrictions regarding exchange continued in force during the year, the Bank of Brazil having control of all exchange transactions. Quotations in consequence were largely nominal. The subsidiary companies were therefore able to remit only a limited portion of available funds. The combined earnings of the company as shown in the income statement shown at the outset of this article were calculated on a basis of gold dollars monthly at arbitrary rates of exchange lower than the official quotations. The final value of these earnings will therefore depend upon the rate of exchange realized as and when the balances of such earnings are remitted from time to time.

Cash expenditures on the properties of the subsidiary companies during 1932 totalled $4,400,000 for additions, improvements and replacements needed.

Working Capital Strong

Though working capital showed a considerable increase, the directors point out that current assets and liabilities of subsidiary companies were valued at the end of the year in gold dollars at the closing rate of exchange on New York. They state that this closing rate used for balance sheet purposes can at present be only regarded as nominal and therefore, if the assumed gold value of cash and other current assets is not eventually realized, it may be necessary to make a transfer from profit and loss account or general reserves to cover the deficiency.

WORKING CAPITAL

	1932 $	1931 $
Current assets	31,063,507	23,308,265
Current liabilities ...	8,555,707	7,677,969
Working capital	22,507,800	15,630,296
Ratio	3.63—1	3.04—1

Receivables in Brazil Double

This amazing change includes a banking up of cash which now stands at $13,446,427 as compared with $6,180,220 a year earlier, a doubling in the year of "short term notes, securities in Brazil, sundry debtors and debit balances" from $4,572,697 to $9,309,211, a sharp drop in holdings of Dominion bonds from $5,474,420 to $1,729,930 and a drop in inventories from $7,080,928 to $6,577,940.

The principal change in current assets during the year included an increase in accounts payable from $5,569,349 to $6,783,242.

Capital account stood at $349,530,639 consisting of fixed assets of $211,595,662, a gain of about $900,000, securities of and advances to securities amounting to $90,438,235 and rights, franchises, etc., valued at $47,496,742. The last named item was written down a small amount during the year while securities are shown $700,000 higher.

The total of the balances standing to the credit of depreciation and sinking fund reserves of subsidiaries and general amortization reserve of company was $77,118,810, and there is a general reserve as well of $50,585,304. Total funded debt dropped from $59,456,548 to $59,087,457. There is an additional amount of $6,874,321 outstanding bonds of subsidiary companies but interest charge of $245,309 on these is provided by subsidiary companies from earnings.

Still Expanding

Miller Lash, president, reports that work on the third unit of the Serra development near Sao Paulo has been suspended until returning business increases demand for power. The Rio Pequeno diversion of the Sao Paulo-Santos highway and the corresponding diversion of the Rio Grande are now in use and work is proceeding gradually on the Summit and Marcolino dams to provide for raising further the reservoir level. The capacity of Rio Grande and Pedras reservoirs is equivalent to 450,000,000 kw.h. reserve and will be increased about 50 per cent in 1933 in addition to 117,000,000 kw.h. reserve storage in the Soracaba and Guarapiranga reservoirs.

By the end of 1933 all gas illumination in Rio de Janeiro will be replaced by electric lights, according to an agreement with the city. Because of abnormal conditions a similar arrangement with Sao Paulo has been slowed down by agreement. Large extensions have been made to gas equipment in Rio de Janeiro and Sao Paulo.

GOVERNMENT WILL CARRY WHEAT HELD

(Continued from page 1)

trade rather than enlarge the total of the countries out-turn.

Higher Carryover

Everything considered it is believed that the trade will not succeed in marketing all of the balance of the 1932 crop now held by farmers and in elevators. The carryover this year certainly will exceed that of last year.

But while these reasons are considered sufficiently cogent to keep the government out of the export market, the plans for the future point strongly to a substantial lightening of the wheat surplus. The gentlemen's agreement will expire at the end of July and the new agreement will be worked out to cover the crop year beginning August 1. This new agreement will have to await the return of Premier R. B. Bennett from the World Conference, but the decks should be cleared for action before the new crop actually begins to move in volume.

Future plans are being formed largely upon two considerations.

Small Crop Prospects

The first is the prospect of a considerably reduced wheat yield on this continent, and possibly in other large producing countries such as Australia. The United States is now believed definitely to be out of the export wheat market and the U. S., exports of flour may be greatly curtailed. By the same token, the injury received by the U. S., winter wheat crop means that most of the wheat surplus in the country that is still fit for human consumption will be consumed during the coming crop year.

This will probably mean an absolute betterment of prices and a chance for Mr. McFarland to adopt a moderate price cutting policy in order to unload the Canadian carryover. Canada should get a much larger proportion of the world wheat trade next year than last.

Acreage Control

The second is the uncertain prospect of the adoption of an international policy of acreage control. As Mr. Bennett's speech at London indicated, Canada is supporting the policy of restricting acreage, but this policy is not the work of the Federal government. It is learned that the Federal government, from the outset of the agitation for a smaller wheat acreage, took the position that this was a matter of provincial jurisdiction in which the Dominion was powerless to intervene. The three prairie provinces accepted this view and last May set up a joint committee to consider ways and means of enforcing a policy of acreage control. This committee reached an agreement and the prairie governments, shortly before Mr. Bennett's departure for London, made representations to him requesting that he strongly urge the adoption of the policy.

The provincial plan calls for statutory enactments along the lines of the Roosevelt policy. There will be no attempt to order a percentage reduction in wheat acreage, but the provinces will offer compensation, on an acreage basis, to all farmers who withdraw their land from crop. The funds to pay this compensation will be derived from processing taxes to be imposed on wheat that is consumed in Canada.

Need Co-operation

The prairie provinces, however, have stipulated that Canada cannot adopt an acreage control policy unless other major producers follow suit. At the time the western provinces reached their decision, the official information available indicated that United States, Argentine, Australia and New Zealand were vigorously advocating such a policy. Since Mr. Bennett left for London, however, there have been important changes and hope of a common understanding is now believed to be remote. The Australian and New Zealand governments have changed their minds and are now critical of acreage control. The Argentine Government favors reduced acreage but insists that the reduction be made by other countries. The argument of the Argentine is that her wheat acreage has not been increased in recent years, while the acreage of other countries has been doubled and, in some cases, trebled. Argentine believes that the countries who stepped up production should now step it down.

These are the factors in the wheat situation at the moment. There is little possibility of the government abandoning the policy agreed to at Ottawa last autumn. But there is every likelihood that a determined effort will be made to work off the wheat surplus in the crop year which will begin two months hence.

MAY LICENSE NEWSPRINT EXPORTATION

(Continued from page 1)

enforced by the United States Government.

Bring in Government

It is also pointed out that the Bankers Committee could not secure adherence to a common policy because of the lack of power necessary to keep insurgent operators in line. Having that record in mind, the opinion among newsprint men is that if the Canadian industry is to abide by the American code, controlling influence must be of a governmental character rather than voluntary. The latter has proved ineffective, hence the present suggestion that the Federal Government issue licenses to newsprint exporters who live up to the American producers' code.

Such a step is feasible, inasmuch as regulations governing trade are the sole prerogative of the Dominion Government. On one or two occasions in the past, the governments of Quebec and Ontario have endeavored to bring order out of the muddled affairs of the industry with somewhat unhappy results. Not only would the Federal Government be justified in taking a position in the industry's affairs, at this time, but it would appear imperative if Canada is to hold its position in the all-important American newsprint market.

Await American Action

The manner in which companies would be licensed to export newsprint, of course, can only be decided after the code of the American manufacturers has been approved and made public by Washington. With a common policy determined, it is said that what latent regulatory powers are given to the two governments would never need to be exercised, as the operators would stand by the agreement, knowing that severe penalties could be imposed for any infraction of the American agreement or the terms upon which the Canadians could carry on an export trade.

CROW'S NEST COAL GETS BIG ORDERS

Will Re-open Coal Creek Mines — Benefits Fernie Debentures

Re-opening of the Coal Creek mines of Crow's Nest Pass Coal Co will take place at an early date according to a statement made by Hon. H. H. Stevens, Federal Minister of Trade and Commerce. Orders from the C.P.R. and others totalling 1,250,000 tons of coal make possible the operation of the mine that was abandoned by the company early this year since the mine could not be operated without a heavy financial loss under conditions then prevailing. Employment will be given to 300 men working half time or 150 working full time.

Closing of the Coal Creek mines threatened to terminate the life of Fernie, B.C., which has a population of 2,700 largely dependent upon operation of the mines. The orders obtained by Crow's Nest Pass Coal Co. will assure continued work for some of the population and this can be expected to beneficially affect holders of Fernie debentures. Effect of the orders on earnings of Crow's Nest Pass Coal Co. is not indicated.

Retiring Imperial Oil Executives

C. O. STILLMAN
Veteran president of Imperial Oil, retiring on June 30 after 52 years in all departments of oil business, most of time with Imperial Oil.

ALEX. M. McQUEEN
Retiring vice-president under new age limit provision, started in Petrolia as a boy and was later taken to Imperial Oil by Hon. W. J. Hanna.

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193
Full information from Wm. Fulton, Asst. General Passenger Agent, King & Yonge Streets, Toronto.

CANADIAN PACIFIC

RADIO TUBE PROBE WILL BE DROPPED OTTAWA THINKS

Prices Have Been Slashed Since Investigation Began

From Our Own Correspondent

OTTAWA.—Although the report of the Combines Investigation branch on the radio tube industry is in the hands of the Attorney-General of Ontario, the understanding at Ottawa is that there will not be a prosecution.

There has been much interest in this case, and the fact that no prosecution is likely to ensue may well establish a precedent upon which future cases will turn. This precedent involves the degree to which reductions in the price of an article, alleged to be controlled by a combine, mitigate the original offence.

No Price Competition

In the case of radio tubes, the facts are reported as follows: There are only a very few manufacturers of radio tubes in Canada. At the time the original complaint of a combine was made, these tubes were retailing at $5.75 each and much evidence was obtained to indicate that manufacturers agreed to, not perhaps in writing, and enforced, a common price. There was little, if any, price cutting and practically no evidence of price competition.

The investigation, it is learned, showed that the production cost of these tubes was 60 cents. But while the investigation was underway, the manufacturers began to reduce prices. They fell to $4.80 and then, by rapid stages, to $1.30. For the reason that production costs do not include several justifiable selling charges, the price of $1.30 is not deemed to be high. In effect, the radio owners of Canada have benefitted to the extent of $4.45 per tube and having regard to the fact that some two million tubes are sold each year, the aggregate saving has come very close to $1,000,000 per annum.

Combine Not Illegal

At the present time there is no case, under either the Combines Act or the Criminal Code, against the manufacturers. As the law reads, the existence of a combine is not illegal. It becomes illegal only when it operates artificially to increase prices. And as present prices are not unreasonable no charge could justly be laid against the manufacturers on conditions as they now obtain.

The question to be decided, however, is if these decreases in price absolve manufacturers from responsibility for what was done in the years prior to the enquiry. It is believed, at Ottawa, that the investigation was productive of sufficient evidence to warrant a prosecution. But the decision lies with the Attorney-General of Ontario and it is believed he will not proceed against the manufacturers in view of what has occurred in the immediate past. Moreover, another deterrent is the fact that under a recent decision all fines which result from a prosecution go to the municipal and not to the provincial authorities.

All factors considered there is thought to be little chance of further action in the radio tube case.

B. C. FISH CATCH 3,450,409 CWT.

1932 Total Well Below That of 1931 But Value Shows Better

Production of the British Columbia fisheries in 1932 had a total value of $9,914,071, compared with $11,108,873 in the preceding year. These totals represent the value of the fish as marketed, whether sold for consumption fresh, or as prepared in the various forms, canned, smoked, dry-salted, etc. Of chief importance is the salmon fishery, with a total value of output in 1932 of $7,592,460 or 77 per cent of the total value of the fisheries production of the province in that year.

The catch of salmon was slightly less than in 1931, but the total value was greater, owing to the larger proportions of the higher priced varieties taken in 1932 than in 1931. The pack of salmon was almost double that of the preceding year, amounting to 1,081,011 cases compared with 685,104 cases in 1931. The quantity of salmon sold for consumption fresh was less than in 1931, as was also the production of dry-salted salmon.

Halibut, which is next to salmon in importance, had a catch of 168,847 cwt., compared with 182,005 cwt. in 1931, while the marketed value was $960,166, compared with $1,373,679. Herring, pilchard and ling cod, which are also among the important commercial fishes of British Columbia, show decreased value of output — herring and pilchard each decreased by about 50 per cent, and ling cod by about 30 per cent.

The total quantity of fish caught and landed in British Columbia in 1932 was 3,450,409 cwt., and the value of this catch to the fishermen was $4,691,095, compared with a catch of 4,649,962 cwt., and a value to the fishermen of $5,880,985 in 1931.

Sell More Apples

Canada in the first four months of 1933 more than doubled her exports of apples to the United Kingdom market and has now assumed first place, according to a report by the Dominion Bureau of Statistics.

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BONDHOLDERS PROTECTIVE COMMITTEE

CANADA STEAMSHIP LINES LIMITED

First and General Mortgage 6% Gold Bonds,
Series A, due October 1st, 1941

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To the Holders of the above Bonds:

The above-named Company failed to meet the annual Sinking Fund payment in respect of the above bonds on October 1st, 1932, and the bond interest due on April 1st, 1933, has not been paid.

The Protective Committee named below which has been formed to represent the interests of the bondholders, is now studying the situation with a view to taking whatever action may be deemed advisable.

A Deposit Agreement dated as of April 18th, 1933, has been prepared, under which holders may deposit their Bonds and thus act in unison through the medium of the Committee. The Deposit Agreement, signed by the Committee, is on file with the Depositary undermentioned, and copies may be obtained at any of the offices named below or from the Secretary.

The Deposit Agreement permits the withdrawal of bonds, without expense to the depositor, upon proper application by the holders of the certificates of deposit, within 30 days after notice of any plan which may be formulated by the Committee.

Bonds may be deposited at any of the following offices of the Montreal Trust Company, namely: 511 Place d'Armes, Montreal; 61 Yonge Street, Toronto, Ont.; 218 Portage Avenue, Winnipeg, Man.; Royal Bank Building, Vancouver, B.C.; 210 McLeod Building, Edmonton, Alta.; Royal Bank Chambers, Halifax, N.S.; or at the principal branch of The Royal Bank of Canada at Saint John, N.B., Quebec, Ottawa, or Regina; or at the office of The Agency of The Royal Bank of Canada, 68 William Street, City of New York, U.S.A.; or at Montreal Trust Company, 6 Lothbury, London, E.C.2, England. When bonds are sent by post, registered mail should be used.

Copies of the Deposit Agreement and form of the Letter of Transmittal to be used in depositing bonds may be obtained at any of the above offices. The Transmittal Letter must be used by every depositor under the Deposit Agreement, and holders of bonds who wish to make deposits by mail are requested to apply for forms of such Transmittal Letter.

Deposited bonds must be in negotiable form and have all coupons maturing on and after April 1st, 1933, attached. Transferable certificates of deposit will be issued in receipt of deposited bonds. July 31st next has been fixed as the tentative date on or before which deposits should be made.

Holders of large amounts of bonds have already expressed their approval of the organization and personnel of the Committee, and have indicated their intention to deposit their bonds.

The Committee urges upon all holders to deposit their bonds promptly so that the Committee may be authorized to act for as large a proportion of the bondholders as possible.

Dated at Montreal, June 15th, 1933.

BONDHOLDERS PROTECTIVE COMMITTEE.

Depositary:
Montreal Trust Company,
511 Place d'Armes,
Montreal.

Secretary:
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Room 101, 355 St. James
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Norman J. Dawes.
William Ferguson.
Andrew Fleming.
Hon. D. O. L'Esperance.
A. J. Nesbitt.
F. L. Whitaker.

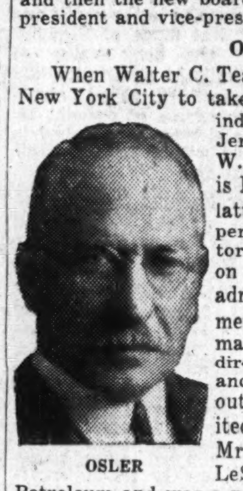
Six Are On Tapis For Imperial Oil Board

Smith and Ross, Remaining Vice-presidents, Apparently First in Line — Vacancies Left By Stillman and McQueen to Be Filled June 30

Judging by past policy and procedure, the new president, vice-presidents and directors of Imperial Oil, Ltd., will be chosen from the remaining members of the existing board, from its high officers including the chief solicitor and from some interest closely allied to the company, at the annual meeting of shareholders at Sarnia on June 30, and in the meeting of directors which follows.

In other words, the obvious and inevitable names confronting shareholders—according to Imperial Oil precedent—will include G. Harrison Smith, vice-president of Imperial Oil, president of International Petroleum and director of Standard Oil of New Jersey; Victor Ross, vice-president and three directors, Leo C. McCloskey, John McNeil and C. A. Eames. To these one new director will be added by shareholders, and then the new board will meet to select from its own personnel the president and vice-presidents.

Outsiders Who Are Insiders



OSLER

When Walter C. Teagle left the presidency of Imperial Oil to go to New York City to take the major position available in the world's oil industry as president of Standard Oil of New Jersey, Imperial Oil chose its chief solicitor, Hon. W. J. Hanna, as its president. The present solicitor is Mr. Britton Osler, but it is hardly likely that the latter's wide interests outside of Imperial Oil would permit him to accept a position on a working directorate which sits every day, and which has to be on top of the company's operating, financial and administrative problems all the time. The appointment of Mr. Stillman after Mr. Hanna's death marked a beginning in a policy of promoting to directorates of officials with an intimate acquaintance with all details of the company's business. If outsiders are chosen, choice would probably be limited to outsiders who are really insiders such as Mr. Britton Osler, already mentioned, or R. V. LeSueur, who is already a director of International Petroleum and was a partner of the late W. J. Hanna.

Retirement of both C. O. Stillman, president and Alex. M. McQueen, vice-president, at the annual meeting on June 30 of Imperial Oil Co. is because of the absolute and rigid rule adopted that all employees of whatever rank must retire on pension at that age. Investors, industrialists and governments rightly regard the presidents, vice-presidents and directors of Imperial Oil as holding key positions in the industrial world in Canada. Imperial Oil directorate is one of the few working directorates in Canada. Every vice-president and director at present is an operating official with large, important interests under his control.

G. H. Smith Occupies Key Position

SMITH

That policy of having directors and vice-presidents continuously in charge of company affairs has worked out so well that it is expected by those most keenly interested in Imperial Oil affairs that it will be continued. The retirement of C. O. Stillman as president and Alex. M. McQueen as vice-president therefore in all probability opens the way for a move upward of one of the present vice-presidents or both.

G. Harrison Smith, vice-president of Imperial Oil, president of International Petroleum and a director of Standard Oil of New Jersey, is senior partner in point of view of service, is familiar with every detail of general administration, has been administrator from the very beginning of the policy which built up International Petroleum, Imperial Oil's great and most profitable subsidiary. He has great executive qualities, unusual foresight as demonstrated by events again and again and has a more intimate acquaintance with Imperial Oil's world-wide interests outside Canada than any other man. He has wide and valuable contacts in South America and is a great believer in strengthening the relationships already established by business men between Canada and South American countries.

Victor Ross is One of Best Known Canadians

ROSS

Victor Ross, who went to Imperial Oil from a position long held as Financial editor of The Globe, had already a wider acquaintance with Canadian business men, industrialists and financiers than probably any other Canadian. His intimate acquaintance with affairs in Canada, his financial acumen and his influence in lining up the company with liberal, far-sighted and distinctly Canadian policies have been of inestimable value to the company. The public is inclined to associate him with the policies followed in late years by Imperial Oil of disclosing its affairs by annual statements and otherwise with great frankness to the public. For instance, in the enquiry at Ottawa in 1930 into gasoline prices both members of Parliament and accountants were given a wealth of detailed information about everything they desired to enquire about.

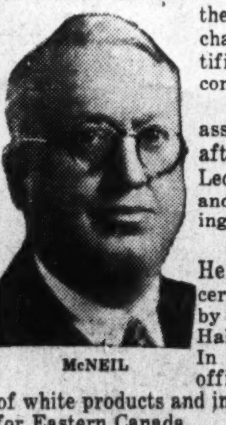
It was the view of Mr. Ross and his fellow directors that it is a strength to the company and the industry to have as thorough an understanding as possible of the industry in the minds of law-makers, administrators and members of the general public.

Leo McCloskey Has Risen Rapidly

McCLOSKEY

Leo C. McCloskey is an expert on manufacturing, has risen rapidly because of his thoroughness and complete grasp of every task allotted him. He is a younger man than most of the others on the board and will probably for that reason be longer on it because of the provision for retirement at 62 years. Mr. McCloskey joined Imperial Oil as a boy in Sarnia in 1903. After five years in the refining yards he took charge of the records pertaining to costs and personnel. In 1915 he was appointed general accountant and came to Toronto when the executive offices of the company were moved to Toronto for the sake of convenience. He was appointed assistant general manager of refineries in 1923.

John McNeil Knows Markets East and West



McNEIL

John McNeil is Imperial Oil's expert on marketing. He became director in charge of marketing in succession to Frederick J. Wolfe who, until March, 1931, was director and vice-president in charge of marketing and left that post to become managing director of Anglo-American Oil Co., one of the British Empire's largest organizations. There has been some talk in the daily press that Mr. Wolfe might come back to the presidency of Imperial Oil but he has become chairman of the board where he is and has identified himself so closely with the future of his new company that that possibility may be ruled out.

Before Mr. Wolfe went away John McNeil was assistant general sales manager of Imperial Oil and afterwards became director in charge of marketing. Leo C. McCloskey at the same time became director and along with C. R. Ewing represented the refining interests of the company.

John McNeil was born at Gravenhurst, Ontario. He was first employed by a small Toronto oil concern after he left school. This concern was absorbed by Canadian Oil Co. which sent Mr. McNeil to Halifax as local manager and later to Winnipeg. In 1906 Mr. McNeil joined Imperial Oil's Winnipeg office. In 1921 he was appointed manager of sales of white products and in 1930 was made assistant general sales manager for Eastern Canada.

C. A. Eames is Authority on Transport

EAMES

C. A. Eames, a director since about 1921, owes his position to the intense application he has given to all transportation questions affecting oil and to crude oil price structures in which transportation costs figure largely. He was formerly a director of Anglo-American Oil Co. of which Mr. Wolfe is now chairman of the board, and both there and with Imperial Oil he has gained a close acquaintance with marine transport, especially the vexed question of charters and the costs of the devious and direct routes by which crude oil and its products find their way from countries of origin to consuming centres.

As Imperial Oil is an international company sea transport has to figure as largely in its calculations as land transport. It brings crude to Sarnia by pipe line, by tank cars and by boats and to Halifax mainly by sea. It has to sell its crude from South America in two hemispheres, though mainly in the Western hemisphere. As a company fully integrated, and in every department of the business from the oil in the rocks to the gasoline that flows out of the service station nozzle, transport organization and calculations are more important to its organization than inland Canadians are aware of. That end is seldom mentioned in Canada and the more smoothly it works the less notice it is apt to draw in the future.

FRUIT PROSPECTS GENERALLY GOOD ACROSS CANADA

Lateness of B. C. Season May Cause Some Losses There

Commercial production of many fruits is not anticipated to equal that of 1932 although prospects on June 1 were quite promising, according to the second monthly crop fruit reports of the Dominion Department of Agriculture. The small fruit crops, namely strawberries and raspberries, are not expected to vary greatly from last year's production. Conditions were generally favorable except in British Columbia where winter killing seriously reduced raspberry prospects.

Apricots, plums, prunes, and peaches indicate decreased yields in Ontario and British Columbia. Frost injury is expected to affect the yield of both peaches and apricots in British Columbia while peach leaf curl in Ontario will doubtless be a limiting factor and in addition frosts severely damaged the crop prospects for Burbank plums in the latter province. The cheery production forecast is about the same as last year in Ontario with a slight increase expected in British Columbia.

Heavy Apple Bloom

Pear production is also expected to be about the same as last year and although a slight increase is anticipated in British Columbia, the Ontario crop which forms the bulk of production is forecast somewhat lower than 1932.

An estimate of apple production is not possible at the present time, but bloom was heavy throughout the country, particularly in Nova Scotia, and trees are progressing favorably although the season in British Columbia is from a week to ten days later than usual due to backward weather.

Commercial tomato and canteloupe plantings in British Columbia are reported larger than in 1932 by 28 per cent and 27 per cent, respectively, while plantings of both crops in Ontario are approximately the same as last year.

Individual Summary

Apples—Conditions on the whole have been ideal in Nova Scotia with a heavy bloom; little scab development or insect injury reported. Trees are in good condition and about 3 to 5 days ahead of normal in New Brunswick. No winter injury and favorable progress reported from Quebec; slight frost injury reported from some areas and caterpillars prevalent. Eastern Ontario expects a big crop provided the drop is not excessively heavy. Ideal growing weather and an abundance of moisture is reported from Western Ontario and trees are in excellent shape. Fruit generally set well and a large crop is expected. Trees are in good condition in British Columbia but the weather has been cool and backward and the season is generally a week to ten days later than last year. Insect pests are being kept under control by spraying in most districts. A heavy bloom is general on most varieties.

Strawberries—Estimated 1933 production for the Dominion is placed at 19,556,000 quarts compared with 21,220,000 quarts last year, production in Ontario and Nova Scotia being greater than in 1932; and lower in British Columbia, Quebec and New Brunswick.

Raspberries—Prospects for the Dominion as a whole indicate a yield of approximately equal to 1932. Production that year amounted to 7,258,500 quarts, Ontario, Quebec and British Columbia being the chief producers in that order. Plantations wintered well, are in healthy condition and an increase in production is indicated in all provinces except British Columbia where winter injury seriously reduced prospects.

Pears—Ontario commercial production is indicated as slightly lower than 1932 although it is practically impossible to accurately estimate the probable yield at present. All districts in British Columbia report the probability of a slightly increased yield over 1932 although development has been slow due to the backward weather.

Peaches—A considerable reduction in yield is expected in Ontario due to frost damage to buds and peach leaf curl. Backward weather and frost damage is expected to reduce the British Columbia production.

Cherries—Production estimate for 1933 is 364,000 bushels compared with 346,000 bushels in 1932, Ontario to produce 246,000 bushels or 108 per cent of 1932 yield and British Columbia the same as last year with 118,000 bushels.

Grapes—Commercial production in 1933 is placed at 70,662,000 pounds compared with 54,083,000 pounds in 1932. An increase over 1932 of 31 per cent to 70,000,000 pounds is looked for in Ontario while British Columbia's small production will also be higher than a year ago.

Tomatoes — Acreage is slightly greater in both British Columbia and Ontario, about 30 per cent being for the fresh fruit trade and the balance for canners. Quebec acreage figures are not yet available but will probably be about the same as in 1932.

NOR. CANADA MTGE. EARNINGS LOWER

Shows Loss For Year Ended March 31; Bank Loan Down

Northern Canada Mortgage Co. had net operating profit of $13,894 in the year ended March 31, 1933, which was offset by 1931 and 1932 income tax amounting to $4,580 and reserve for depreciation on mortgages, agreements and real estate of $15,750. Surplus was reduced to $7,571 from $14,007. Excluding payment of 1931 income tax the company had a loss for the year of $4,884 as against net profit of $17,094 in the preceding year.

Assets include $363,890 in mortgage loans and agreements, after deducting prior incumbrances, and $328,252 in real estate. Investments in stocks are carried at $9,792 on March 31 but market value was $11,598 at April 25. Cash was $2,141. Bank loan was reduced by $5,000 to $20,000. Reserve for depreciation on mortgages and agreements is $203,673. Capital stock outstanding consists of 4,201 shares of preferred and 13,618 shares of common.

EARNINGS RECORD
(Year Ended March 31)

Year	Paid-up Capital $	Net Profits* $	Div. Rate $	Rate Earned $
1929	650,851	41,683	2.50	3.20
1930	671,435	36,506	2.50+1.50	2.73
1931	448,873	‡207,695	....	....
1932	453,776	17,094	§1.12½	†
1933	452,676	‡4,884	....	...

†After deduction of full year's dividend on preferred.
§On preferred.
‡Deficit.
*After depreciation and income tax.

ENTER LAW SUITS AGAINST VICKERS

Victims of Cymbeline Explosion Take Action — Carswell Retires

From Our Own Correspondent

MONTREAL.—Claims against Canadian Vickers Ltd., arising out of the drydock explosion of a year ago, amount to $290,369 as the result of nearly a dozen legal actions entered against the company by widows of firemen killed and those injured in the disaster and by the City of Montreal. It will be recalled that a year ago this month the oil tanker Cymbeline exploded while under repair in the dry dock of Canadian Vickers. An investigation disclosed the fact that gases which escaped from reservoirs near the dock which contained oil, caused the explosion and fire which resulted in injury, and in several instances death, to a number of firemen and workers, as well as doing considerable damage to the property of Canadian Vickers.

Another development in connection with Canadian Vickers is the resignation of D. B. Carswell, as vice-president and managing director of Canadian Vickers. Mr. Carswell has been with Vickers for the past five years and states that his reason for retiring was simply that he needed rest.

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Obituary

Hume Cronyn, K.C., until recent months president of the Huron & Erie Mortgage Corp. and the Canada Trust Co., former president of the Mutual Life Assurance Co. and the Dominion Mortgage & Investments Association and member of the Federal parliament, died in his home at London, Ont., on June 19, aged 68 years. Mr. Cronyn was born in London in 1864. He practised law in London until 1907 when he was appointed general manager of the Huron & Erie Mortgage Corp. He was a member of the Federal parliament from 1917 to 1921 and directed the activities of the Committee of Scientific Research as well as serving for two sessions as chairman of the Committee of Soldiers' Pensions and Civil Re-establishment.

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Utilities and Transportation

MARITIME 'PHONE ISSUES NEW BLOCK REFUNDING BONDS

Will Use Proceeds to Take Care of Capital Outlay

From Our Own Correspondent

MONTREAL. — Maritime Telegraph and Telephone Co. is making a public offering, through Royal Securities Corp., of $500,000 of Series A, 5 per cent refunding and general mortgage bonds.

It is the intention of the company to use the proceeds from the sale of these bonds toward the reduction of current indebtedness incurred for capital expenditures already completed. At the end of last year the company owed the Canadian Bank of Commerce $372,739, while bills payable aggregated $300,000.

Particulars of Issue

Particulars of the bond issue, as shown in the official prospectus, follow:

$500,000
Maritime Telegraph & Telephone
Series A 5 Per Cent
Refunding and General Mortgage Bonds
Dated: Jan. 1, 1926. Due: Jan. 1, 1956
Payable in Canadian bonds as to principal and interest.

Company: Owns and operates principal telephone system in Nova Scotia. Owns practically entire capital stock of Atlantic Utilities, principal telephone system in P. E. I. Serves a population of 600,000 and combined number of telephones connected is 42,378.

Capital:

	Authorized	To be Outstanding
1st mtge. 6% bonds, due 1941	(closed)	$1,500,000
Ref. & gen. mort. 5% bonds, series A ...	$1,500,000	1,500,000
7% pref. stock	2,000,000	1,500,000
Common stock	5,500,000	3,595,760

Earnings: Average earnings applicable to bond interest in past five years were 2.63 times interest charges, including this issue.

Assets: Value of assets for rate making purposes at December 31, 1932, totalled $7,879,994.

Offered By: Royal Securities Corp. at 94 and accrued interest, to yield over 5.45 per cent.

C. S. L. Committee Ask Bondholders' Support

From Our Own Correspondent

MONTREAL. — The Bondholders' Protective Committee of Canada Steamship Lines first and general mortgage 6 per cent bonds, is requesting holders to deposit their bonds so that the necessary steps can be taken by the committee to protect their interests.

This action follows the failure of the company to meet the annual sinking fund in respect of these bonds due on October 1, 1932, and the nonpayment of the bond interest due on April 1, 1933.

At a meeting of the committee held recently the situation was discussed in a general way with representatives of the company, and it was decided that it would be necessary to take time to study the situation thoroughly before an appropriate course of action for the benefit of bondholders could be decided upon.

Holders of large amounts of bonds have already expressed their approval of the organization and personnel of the committee, and have indicated their intention to deposit their bonds. The committee points out that the bonds are widely scattered. The terms of the trust deed make it important that the committee be authorized to speak for as large a proportion of the bonds as possible.

Southern Canada Power May Income on Lower Scale

From Our Own Correspondent

MONTREAL.—Both gross and net operating income of Southern Canada Power Co. was lower in May, 1933, than for the same month a year ago. Gross revenue in May, 1933, totalled $167,279, against which operating expenses amounted to $61,012, leaving a net figure of $106,267. For the same month last year gross income totalled $173,424, expenses $63,829, and net earnings $109,595.

Cumulative returns for the eight months ending May, 1933, show a similar condition as to the trend of earnings. Gross income amounted to $1,430,736 compared with $1,519,922 for the corresponding period of the previous year. Operating expenses were cut from $565,983 to $505,302, leaving net earnings at $927,434 for the 1933 period compared with $953,939 in the same eight months of the 1932 fiscal year.

Quebec Plans Reservoir on Upper Rimouski River

From Our Own Correspondent

MONTREAL. — Quebec Streams Commission has undertaken a survey of the district between the boundary of New Brunswick and Quebec and the St. Lawrence River with a view to determining what land is to be reserved for the creation of a water storage reservoir.

The commission hold to the view that at some future date large hydro electric developments will take place on the Upper Rimouski River. In such an event it will be necessary to establish a water storage reservoir in order to regulate the flow of the river. In anticipation of this development, the engineers of the commission have begun the task of selecting the site for the creation of storage facilities.

Power Firms Show Sharp Output Drop

From Our Own Correspondent

MONTREAL. — With few exceptions the major power producing companies in Canada experienced sharp declines in output over the past three years. This falling off in production was not confined to any one particular area but was general throughout the Dominion.

Ontario Hydro, the largest producer in the Dominion, has seen its electric energy output drop from over 4,000,000,000 kw.h. in 1930 to approximately 3,000,000,000 kw.h. in 1932. This decline of 25 per cent, while heavy, is not out of line with the average decrease. Montreal Power registered a loss of over 50 per cent, largely because of the smaller volume of exports from Cedars Rapids Manufacturing and Power Co., one of its principal operating subsidiaries.

Shawinigan, Canadian Hydro, Duke-Price Power, West Kootenay Power, B. C. Power have held their own fairly satisfactorily. Winnipeg Electric, Price Bros. & Co., Southern Canada Power, Canada Northern Power, Calgary Power and one or two others have been able to record increased production.

The ranking of the major producers has been affected by the introduction of new producers. Alcoa Power, James MacLaren Co., Churchill River Power and Beauharnois are newcomers to the Canadian power field over the last three years. The production of these companies has naturally advanced rapidly as new units have been brought into use. Their aggregate volume of production constitutes an important factor in the total production of the industry.

Individual output of the 25 leading Canadian power companies over the past three years is shown in the following table:

	1932	1931	1930
Ontario Hydro	†2,985,187,370	3,221,554,455	4,057,573,673
Shawinigan Quebec Power Can. Light	2,610,343,123	2,908,315,549	2,858,234,633
Canadian Hydro	2,509,910,452	2,412,326,862	2,523,735,688
Duke Price Power	1,673,119,325	1,518,632,376	2,012,869,375
West Kootenay	580,021,067	591,772,849	599,257,408
Winnipeg Electric Manitoba Power	511,024,078	608,586,000	597,900,870
Montreal Power	477,028,150	763,929,381	1,027,181,645
B. C. Power	465,000,724	490,128,483	474,875,319
Canada Northern	441,150,290	418,226,810	367,130,780
Alcoa Power	*413,780,051	206,468,353	(new)
Winnipeg Hydro	354,103,830	346,100,772	355,930,500
Canadian Niagara	273,909,700	482,783,500	607,014,300
Abitibi Electric	204,282,001	216,296,601	262,958,824
Churchill Power	187,334,650	165,530,600	(new)
James Maclaren Co.	176,874,750	163,639,575	(new)
Price Bros.	172,446,680	136,697,900	168,631,800
Montreal Island	172,307,040	146,048,890	105,805,180
Southern Canada	160,609,700	142,910,400	156,453,380
N. S. Power Board	158,560,449	173,924,966	151,414,019
Great Lakes Power	153,531,817	88,217,675	85,924,471
Calgary Power	143,427,388	154,500,070	135,106,382
O. & M. Power Co.	101,604,200	84,930,000	86,363,000
Ottawa Electric	86,175,881	....	....
East Kootenay	70,588,530	76,317,102	79,349,960
Beauharnois (3 mos.)	60,719,000	(new)	....
Huronian Power	....	145,018,675	142,836,845

†Includes 352,240,060 kw.h. of Ottawa Valley Power.
*Includes 53,528,738 kw.h. used for testing equipment

Decline in Power Exports Reaches Big Proportions

From Our Own Correspondent

MONTREAL.—Exports of hydro-electric energy from Canada to the United States dropped roughly 50 per cent between 1931 and 1932, according to returns compiled by the Dominion Government. In 1931 fourteen operators exported 1,235,324,876 kw.h. of energy to the United States. This was considerably less than in the previous year, but still was nearly double the 667,880,085 kw.h. reported in 1932.

Ontario Hydro accounted for about one-half of the exports last year. The amount of power delivered under firm contract remained about the same as in the previous year, but the export of surplus energy showed a somewhat startling drop from 169,152,943 kw.h. in 1931 to 219,385 kw.h. in the following year.

Decline Was General

A somewhat similar experience is reported by Canadian Niagara Power Co. Firm power exports dropped from 227,815,131 kw.h. to 10,304,092 kw.h., while surplus power exports were off from 1,630,300 kw.h. to 15,300 kw.h.

Cedars Rapids Manufacturing & Power Co., subsidiary of Montreal Power, registered a decline in exports of nearly 200,000,000 kw.h. at 180,076,312 kw.h.

The balance of the export power trade is relatively small and unimportant.

Affect on Earnings

The feature of these returns is that the major exporters, Ontario Hydro, Canadian Niagara and Cedars Rapids Manufacturing, must have experienced a sharp contraction in earnings owing to the limited demand from across the border. In the case of Cedars Rapids, a large share of the company's output is marketed in New York State. Much the same ruling applies to Canadian Niagara. While Ontario Hydro is not so dependent upon export business, yet the decline in the volume of exports would make a marked difference in monetary returns.

Comparative figures showing the export of power in 1931 and 1932 by the companies having licenses to carry on this business follows:

	(Kilowatt Hours) 1932	1931
Ontario Hydro ...	350,019,900	366,303,300
Do., (surplus) ..	219,385	169,152,943
Cedar Rapids Mfg.	180,076,312	389,071,521
Canadian Niagara	103,049,092	227,815,131
Do., (surplus) ..	15,300	1,630,300
Ont. & Minn. Pwr.	13,329,550	8,510,400
Maine & N.B. Pwr.	11,434,344	12,244,594
B. C. Electric	141,055	95,057
Northport Power..	239,668	283,797
Maritime Elec. ...	320,752	289,818
Sherbrooke P. & P.	423,016	464,797
North. B. C. Pwr. .	50,690	57,580
Inter. Railway Co.	210,121	652,448
Fraser Cos.	7,979,000	8,289,000
Detroit & Windsor	371,900	458,400
Western Power Co.	......	5,700
Total	667,880,085	1,235,324,876

ALEXANDER BLDG. REVENUE LOWER

Anticipate Benefits from Financial Reorganization

From Our Own Correspondent

MONTREAL.—Alexander Building Corp.'s financial statement for the year ended April 30, 1933, reveals gross revenues from all sources at $218,404, compared with $240,073 in the previous year.

Expenses of operations, taxes and maintenance were up slightly at $100,447 from $98,138 in the previous year. The non-recurring cost of the financial reorganization of the company, amounting to $6,993, has been written off, while it is expected that in future an interest charge of $5,328 representing interest on arrears of taxes, etc., will be eliminated by reason of the reorganization.

Defaulted on Bonds

In his report J. S. Aird, president, had the following to say:

"During the year your company was forced to default payment of its 6 per cent first mortgage bond interest; subsequently bondholders at a meeting held for the purpose, approved proposals made and agreed to accept, in lieu of their original bonds, new 6 per cent first mortgage cumulative income bonds and one share of common stock of no par value for each $100 bond held, the capital stock of your company being increased from 10,000 shares to 30,000 shares for that purpose. The new bonds are payable in lawful money of Canada, whereas the original bonds were payable in gold. A considerable saving in exchange expense has therefore been obtained. As at April 30, 1933, the holders of $1,585,800 of bonds had effected the exchange.

Clean Up Debt

"The holders of your $300,000 second mortgage 7 per cent debentures turned their debentures in for cancellation including unpaid interest of $54,250 and the cancellation has been effected and the mortgage released. As at April 30, 1932, your company owed to Nesbitt, Thomson and Company, Limited, for cash advances received and interest thereon, the sum of $47,165; of this amount $1,752 has been paid, being out of pocket expenses, and Nesbitt, Thomson and Company, Limited, has given your company a quit claim for the balance which was used to pay bond and debenture interest. These changes are all reflected in the financial statements submitted herewith.

"Approximately 93 per cent of the building is under lease for the year ending April 30, 1934, and gross revenues for the period should be approximately $205,000. Provided no unforeseen contingencies arise and all rents are collected this revenue should permit of interest payments of 3 per cent per annum upon the first mortgage bonds of your company."

Southern Canada Power Lowers Residential Rate

From Our Own Correspondent

MONTREAL. — Effective with the June bills Southern Canada Power Co. has put into effect a new residential service rate on electricity charges.

The new rate for the company's optional residential service is $1.50 net per month plus 2⅓ cents net per kw.h. This compares with a previous rate of $1.50 net per month plus 3 cents net per kw.h. The change results in the saving of ½ cent per kw.h. on the consumption of electric energy by residential service users.

Serving Canada's *Most* Thriving Industry

THE great mines of Northern Ontario and Quebec are vitally dependent upon hydro-electric power supplied by Canada Northern Power Corporation. Increasing gold production from existing and new mines means increased power demands.

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5% BONDS . DUE 1953
Price: To yield about 6.13%

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Newspaint Production Shows Signs of Strength

Comparative Figures Reveal 1933 Output Well Below Average for Past Decade — Increase in Stocks on Hand for May

From Our Own Correspondent

MONTREAL. — Operating position of the Canadian and American newsprint mills was on a better basis in May, 1933, than in the previous month. The increased output was relatively substantial, but comparison with May of previous years indicates that the industry has much ground to recover before it is back on the levels prevailing between 1928 and 1931.

The May figures are apt to be a bit misleading because the close balance between production and shipments was not maintained, stocks on hand advancing more than 6,000 tons for Canadian mills and nearly 2,500 tons for American mills.

Better Feeling Prevails

Recent reports on the American newsprint market indicate a better feeling. Advertising linage, the controlling factor as regards consumption of paper, has shown considerably more strength of late. Reports from the 52 key cities reveal an upward trend, though a fair proportion of the increased linage is attributed to the swing-back following upon the banking mortatorium earlier in the year.

During May Canadian mills turned out 171,776 tons of newsprint. This was higher than in the previous month and about 4,000 tons less than for May, 1932. In comparison with May returns for previous returns, the 1933 total parallels that for May, 1927, when 171,819 tons were manufactured.

Drop in Ratio

The United States mills continue to report a downward trend in production. The low price at which newsprint is selling has forced many concerns out of business while the proportion of the total domestic requirements supplied by the United States mills has dropped steadily. For May production totalled 79,561 tons, a lower return than that recorded for any corresponding month in more than 10 years.

Comparative May output in tons for Canadian and U. S. mills over the past 10 years follow:

Production of Newsprint

May:	Canada	U.S.
1933	171,776	79,516
1932	175,887	88,087
1931	202,607	101,202
1930	237,681	118,093
1929	245,644	123,504
1928	203,811	126,010
1927	171,819	127,395
1926	153,969	141,032
1925	130,198	129,463
1924	118,500	134,827

Now on 1926 Level

Cumulative returns for the first five months of 1933 show production in Canada on a scale slightly under that reported for the same period of 1926. American output, on the other hand, was less than that reported in any year for more than a decade.

The all-time peak production for the first five months of any year was established in 1929 when an output of 1,670,797 was reported. This compares with 1,094,880 for the January-May period of the current year, or nearly 35 per cent less.

Details of Canadian and American production of newsprint in tons for the initial five months in each of the past 10 years follows:

Production of Newsprint January-May

	Canada	U.S.
1933	722,762	372,118
1932	842,743	460,671
1931	953,302	492,644
1930	1,070,848	577,840
1929	1,086,419	584,378
1928	967,407	599,127
1927	826,083	645,842
1926	735,152	701,850
1925	623,143	634,106
1924	570,822	636,374

Shipments Follow Output

Trend of production is closely illustrated by the volume of mill shipments, inasmuch as the publishers do not carry more than a few days supply of paper. During May Canada shipped 165,520 tons as against 172,574 tons for the same month last year. The American mills reported shipments of 77,196 tons compared with 88,525 tons in May, 1932.

The best May shipments in any year, as shown in the accompanying table, occurred in 1929 when Canadian mills shipped 247,449 tons and American mills 124,840 tons:

Shipments of Newsprint

May:	Canada	U.S.
1933	165,520	77,196
1932	172,574	88,525
1931	202,280	102,555
1930	239,034	114,702
1929	247,449	124,840
1928	203,836	122,540
1927	170,468	126,984
1926	152,000	142,300
1925	128,600	126,900
1924	118,300	131,800

Shipments at Low Point

The volume of shipments from Canadian and American mills for the initial five months of 1933 was only about 4,000 tons less than production for the same period.

It is interesting to note that while production in Canada this year is on about the same basis as in 1926, the aggregate shipments from Canadian and American mills was less in the first five months of 1933 than for the corresponding months of 1924.

The steady decline in shipments from mills of the two countries over the past decade is set forth in the following tabular matter:

Shipments of Newsprint January-May

	Canada	U.S.
1933	721,452	370,930
1932	840,286	458,040
1931	946,851	495,718
1930	1,050,764	568,082
1929	1,081,487	594,588
1928	958,832	582,278
1927	813,471	633,186
1926	731,165	697,147
1925	617,936	625,617
1924	564,044	562,065

INCREASED OUTPUT OF PAPER BOARD SIGNIFICANT TREND

P. Z. Caverhill Says Saving in Raw Materials is Important

From Our Own Correspondent

VANCOUVER.—Rapid increase in the production of coarser papers and paper board in British Columbia mills and the increasing demand for these products are regarded as significant developments by Chief Forester P. Z. Caverhill, of British Columbia.

"The greater economy of raw material in the manufacture of pulp board versus sawn lumber and the rapid development in volume and diversity of this class of material indicate that the use of pulp in the building and commercial trades is only in the first exploratory stage," said Mr. Caverhill, addressing the Pacific Science Congress here.

Greater Use of Cellulose

Mr. Caverhill believes that in future the pulp mill will become a complement to the lumber mill rather than a competitor. He predicts a far greater use of cellulose in pressed board, molding, trimming and other products which require an extravagant use of wood through the time-honored methods of sawing and molding with planing machinery, and the waste incidental thereto.

Waste Is Great

He pointed out that 10,000,000 cords of wood were wasted in the Pacific Northwest forests and mills each year—sufficient to meet half the world's demand for pulp and pulp products. He believed this situation presented a challenge to the scientists interested in finding means of utilizing forest waste.

The Pacific Northwest, said Mr. Caverhill, produced an average of about one billion cubic feet of lumber annually, and the amount of wood wasted in maintaining this production was about 941,000,000 cubic feet—almost as much wasted as manufactured.

Export Surplus Grows

Canada's surplus of exports over imports, for the 12 months ended with April last, reached $76,684,015, as compared with $23,189,944 during the same period the year before. Total trade for the year ended with April amounted to $870,552,669.

Public Utility Earnings

Southern Canada Power

	1933	1932	Decrease
May:	$	$	$
Gross earn.	167,279	173,424	6,145
Oper. exp.	61,012	63,829	2,817
Net earn. .	106,267	109,595	3,328
8 months:			
Gross earn.	1,430,736	1,519,922	89,186
Oper. exp..	503,302	565,983	62,681
Net earn. .	927,434	953,939	26,505

Mexico Tramways, Light & Power Group

April—	1933	1932	Decrease
	$	$	$
Mexico Tramways & Subsidiaries:			
Gross earn. ...	237,368	277,266	39,898
Op. & depr. exp.	313,968	342,674	28,706
Net earn.	*76,600	*65,408	11,192
Aggre. gross from Jan. 1..	960,518	1,192,078	231,560
Aggre. net from Jan. 1 ..	*305,595	246,405	59,190
Mexican Light & Power & Subsids.:			
Gross earn. ..	735,343	782,406	47,063
Op. & depr. exp.	482,418	492,428	10,010
Net earn.	252,925	289,978	37,053
Aggre gross from Jan. 1 .	2,114,685	2,498,860	384,175
Aggre. net from Jan. 1 .	1,153,451	1,378,754	225,303

*Deficit.

LUMBERING ACTIVE ON PACIFIC COAST

Demand From Prairies and Export Market Opens Many Mills

From Our Own Correspondent

VANCOUVER. — Lumber exports have shown healthy gains in recent weeks and there is a distinctly better tone in the industry. Logging camps have been reopened in many parts of the province and several of the larger sawmills, shut down for many months, are again in operation.

Prices are still so low as to offer little financial reward, but lumber manufacturers would sooner break even on operations than meet the heavy costs of depreciation which prolonged shutdowns entail. The market has shown sufficient improvement, however, to give promise of profitable operation in a short time and in some cases operators report satisfactory returns.

The lumber movement to the prairies shows signs of an important pickup. During the long period of depressed farm prices the potential demand for lumber was left unappeased, with the result that when prices began to climb again the prairies were a ready outlet for B.C. lumber. Shingle prices continue to advance and in recent weeks there has been a strong movement of shingles to the United States.

China appears to be slacking off somewhat, but other foreign buyers have entered the picture. South Africa has been buying in fair volume; Australia buys most of her softwood lumber in Canada now, and the British Isles have been buying small merchantable lumber for house construction.

POOR MAY SHOWING BUILDING PERMITS

Total of Just Over Two Million Dollars Lowest for Month

Value of the building permits issued by 61 cities during May, 1933, was higher by 29.0 per cent than in April, 1933, but lower by 63.5 per cent than in May, 1932. According to statements tabulated by the Dominion Bureau of Statistics, the authorizations amounted to $2,002,309 as compared with $1,551,693 in the preceding month, and $5,488,845 in May 1932. In connection with these figures, it should be noted that wholesale prices of building materials have been lower in 1933 than in any other year of the record, averaging 75.2 for the first five months, as compared with 79.0 and 83.6 in the same periods of 1932 and 1931, respectively.

Some 50 cities furnished detailed statistics, showing that they had issued almost 300 permits for dwellings valued at approximately $700,000 and for some 2,100 other buildings estimated to cost over $1,100,000. In addition, Brantford reported the authorization of an engineering project valued at approximately $5,000. In April, authority was given for the erection of some 200 dwellings and 1,500 other buildings, valued at approximately $480,000 and $950,000 respectively.

Comparative figures for leading cities are as follows:

Building Permits In Leading Cities

	May, 1933	April, 1933	May, 1932
Montreal	469,051	343,445	1,310,691
Toronto	389,840	212,653	575,897
Vancouver	160,117	100,870	203,465
York & E. York	124,890	62,930	170,628
Winnipeg	114,300	56,600	1,072,750
Ottawa	91,245	105,350	132,390
Halifax	72,260	63,200	95,230
Hamilton	53,385	40,200	111,000
Edmonton	52,840	57,525	346,980
Quebec	38,996	31,466	115,407
Calgary	37,617	25,892	74,008
Victoria	30,850	16,165	36,255

NEON ADVERTISING REGISTERS DEFICIT DURING PAST YEAR

Directors Expect Lower Sales Volume During Current Season

From Our Own Correspondent

MONTREAL.—Claude Neon General Advertising's financial statement for the year ended December 31, 1932, indicates that bond interest was not earned after making provision for depreciation charges.

Sales volume for last year was considerably under that reported for 1931, with earnings amounting to $265,260 as against $578,456 in the previous year. The company's position also was affected by the prohibition of liquor advertising which caused a loss of $64,888 from the concellation of long-term contracts. A further reduction in the profit and loss account was made of $168,696 representing the book value of poster and bulletin structures dismantled during 1932. These structures were in excess of present requirements and were demolished in order to effect savings in the rentals paid for locations.

Smaller Surplus Shown

Particulars of the consolidated profit and loss account for the past three years follow:

	1932	1931	1930
	$	$	$
Earnings	265,260	578,456	667,748
Deprec.	116,761	113,973	......
Balance	148,499	464,483	667,748
Interest	199,073	180,850	181,840
Int. reserve	16,199	95,236	......
Net revenue ...	*66,773	188,397	485,548
Pfd. divds.	55,010	158,200	121,267
Surplus	*121,783	30,197	364,281
Br't. forward ...	820,195	804,167	822,777
	698,412	834,364	1,187,058
Less	†233,584	......	‡207,329
Forward	464,828	834,364	980,089

*Debit.
†Loss on cancellation of liquor sign contracts at $64,888, and loss on poster and bulletin structures demolished $168,696.
‡For bond issue and organization expense.

Bank Loans Higher

The balance sheet at December 31, 1932, indicated assets of a value of $8,735,869 compared with $9,116,738 at the close of the previous year. Bank loans have increased from $355,229 to $489,388. There is no change in the amount of outstanding series "A" bonds, while the Ruddy bonds have been reduced by $20,000 to $682,500. Capital stock and minority interest remain the same.

Reserves have been reduced from $464,274 to $306,369. Accrued interest at the end of the year showed a sharp increase, amounting to $785,883, or about $170,000 more than on the same date of the previous year.

The principal change among assets is a reduction in the book values of signs, patents, etc., from $4,986,916 to $4,778,154. Equipment has increased about $28,000 to $196,922, while real estate and other fixed property remain about the same at $868,610.

Investments show a slight increase at 343,944, while inventories are about $40,000 higher at $294,609.

In his report to the shareholders, Julian C. Smith, chairman of the board, stated that directors of the company are of the opinion that a further decline in volume will be encountered during the present year and have instituted drastic economies in controllable expenditures.

Business Briefs

Car Loadings for the week ended June 10 amounted to 40,824 cars, an increase over the previous week of 1,938 cars and compared with 43,686 cars in the corresponding week a year ago. The index number rose from 61.59 to 65.63, the highest point of the year.

Failures under the Bankruptcy Act for the week ended June 10 numbered 32 compared with 40 in the corresponding week a year ago. For the year to date failures have totalled 825, a decrease of 127 from the corresponding period of 1932.

Province of Ontario
4½% Bonds—due 1950

Ontario is Canada's largest Province in point of population, and is rich in natural resources that have been developed more fully than in any other province of the Dominion.

Price:
99 and interest
Yielding 4.58%

Descriptive circular gladly furnished upon request.

Wood, Gundy & Company
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Telephone
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EXPORTS BETTER LAST YEAR'S TOTAL

Volume and Value Are Greater in Past Month

Making advances all along the line, May exports of Canadian produce topped the May, 1932, figures both in volume and value. The total value of exports increased from $40,476,404 in May a year ago to $45,576,337 in the past month, a jump of 12.6 per cent.

Wheat, automobiles and parts, and unmanufactured nickel made the chief gains in value compared with a year ago, wheat being up $3,400,000 to $13,064,791, automobiles up $850,000 to $1,118,673 and nickel up $1,300,000 to $2,018,056. In addition to these items, wood pulp and newsprint showed good gains in volume, although the dollar value was somewhat lower in both cases, while planks and boards, meat, cheese and fish were also exported in greater volume.

Chief Items of Export

	May, 1933	May, 1932
	$	$
Wheat	13,064,791	9,626,965
Wheat flour	1,735,078	1,647,606
Fish	1,110,792	1,214,495
Furs	677,280	403,574
Meats	1,091,797	693,605
Cheese	175,922	166,781
Planks & boards	1,242,659	1,174,888
Wood pulp	1,693,621	1,381,025
Newsprint	6,416,141	7,162,049
Autos & parts	1,118,673	263,791
Copper, part mfg.	1,112,128	1,321,175
Nickel, unmfg.	2,018,056	725,103

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning and operating mills at

Murray Bay, Que.
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Pine Falls, Manitoba

Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

STEEL STRUCTURES
PLATE & TANK WORK
CAISSONS, BARGES
RAILWAY & HIGHWAY BRIDGES
SWING & BASCULE SPANS
COAL & ORE BRIDGES

Hydraulic Regulating Gates and Operating Machinery
Liftlocks, Turntables, Electric and Hand Power Cranes
Gear Cutting, General Machine Work, Forgings

DOMINION BRIDGE COMPANY
LIMITED
HEAD OFFICE - LACHINE (MONTREAL) QUE.

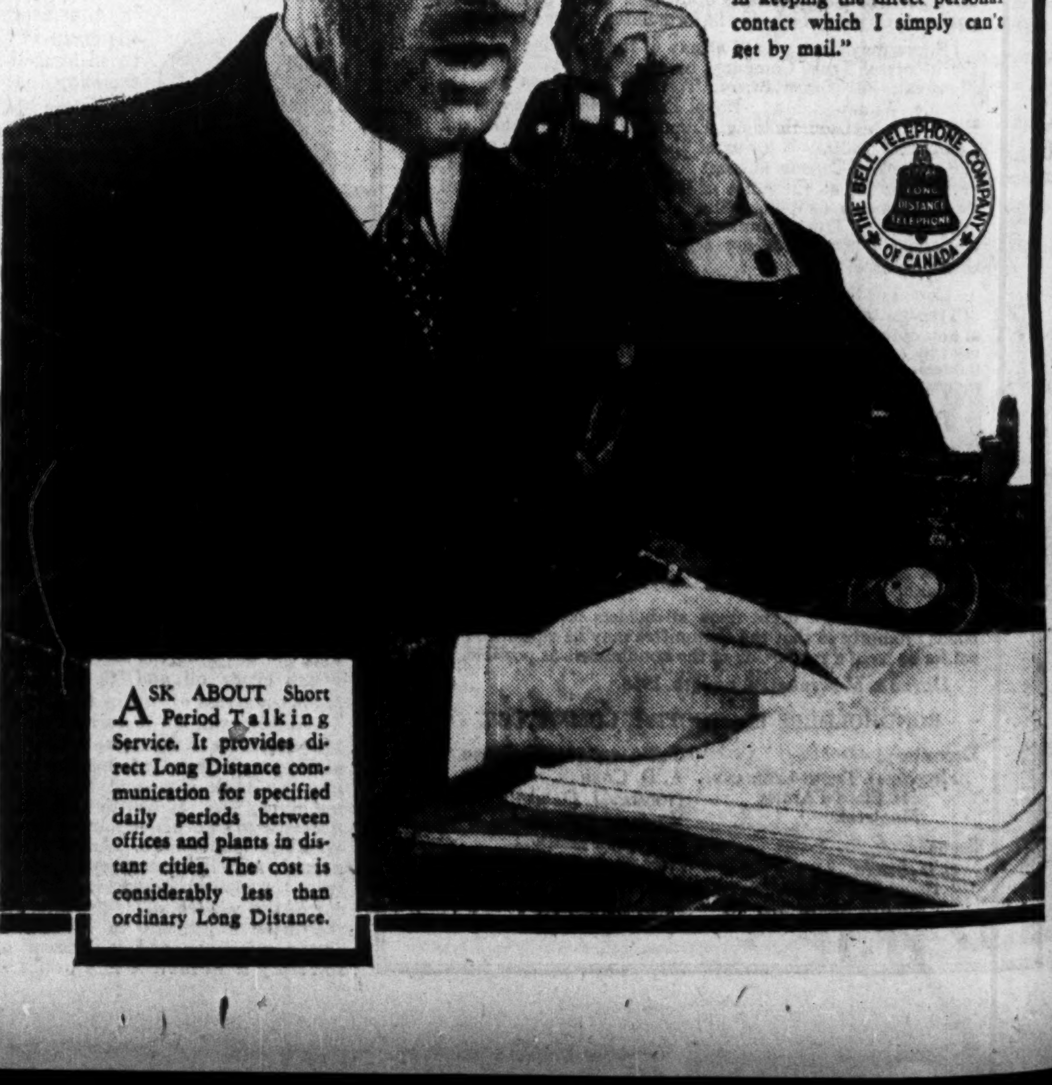
BRANCH OFFICES AND WORKS:
MONTREAL OTTAWA WINNIPEG VANCOUVER
AMHERST TORONTO CALGARY
AGENCIES: EDMONTON REGINA

"I'd get after that right away, Bill"

When George King became Sales Manager he found that one of his most important duties was to keep closely in touch with his four branch offices.

He found that Long Distance was the answer. He arranged with his travellers to be at his home every Monday evening and they could telephone him "station-to-station" after 8.30, thus obtaining low night rates.

"Of course, we use daytime calls for anything urgent," Mr. King explains, "but our Monday evening telephone conferences have been invaluable in keeping the direct personal contact which I simply can't get by mail."



THE BELL TELEPHONE COMPANY OF CANADA

ASK ABOUT Short Period Talking Service. It provides direct Long Distance communication for specified daily periods between offices and plants in distant cities. The cost is considerably less than ordinary Long Distance.

News of Investment Markets

HAROLD FRANKS NEW PRESIDENT TOR. EXCHANGE

Housser is Vice-president, Lawson Secretary and McMillan Treasurer

Harold Franks, who was elected president by acclamation at the 82nd annual general meeting of the Toronto Stock Exchange, is a partner in the firm of Osler & Hammond and one of the oldest active members on the floor. Acclamations were also given to H. B. Housser, senior partner of the firm of H. B. Housser & Co., as vice-president, to F. G. Lawson, of Moss, Lawson & Co., as secretary and to D. F. McMillan, of McMillan, Guest & Co., as treasurer

Members of the committee continuing for a further term were: G. R. Bongard, of Bongard and Company; P. R. Gardiner, of Gardiner Wardrop and Company, and S. R. MacKellar, of S. R. MacKellar and Company. Vacancies on the committee, created by the elevation of H. B. Housser to the vice-presidency and the retirement of H. E. Wallace and D. C. Haig were filled by G. W. Blaikie, of Geo. W. Blaikie and Company, Gordon Taylor, of A. E. Osler and Company and Gordon Wills, of Wills, Bickle and Robertson. All were elected by acclamation. Allan E. Marks continues as assistant secretary-treasurer.

Has Had Long Service

Members of the Toronto Stock Exchange regard themselves as fortunate in having Mr. Franks succeed as president to the exceedingly able, sound and careful guidance given in an exceptionally difficult period by Col. G. G. Mitchell, who retired on completion of his full presidential term. Mr. Franks' experience with the Exchange dates from his election to membership in 1912 but he has been with the firm of Osler and Hammond since 1898. His only break was during the war when he served with the 4th C. M. R.'s, and his recent services to the committee have been great: he was vice-president from 1931 to 1933 and he served on the committee for years before that. He is the 36th president to occupy the chair since regular sessions of the exchange first held in 1861.

Harold Franks has always been a very active trader. On a floor, where personality and dependability have always been held in high respect, he has been noted for his straightforward quick-thinking characteristics. No man ever doubted Harold Franks' position in any matter where he had opinions or convictions because he was always ready to state them frankly and succinctly. He has been popular because with this freedom of speech he has been recognized as eminently fair and just, ready to listen to the other side and to do justice where justice is due.

As to actual physical aspect, Mr. Franks is of ruddy complexion, blue eyes and light hair. They go very well with his sanguine temperament and ready flow of wit. His friends know him as an omnivorous reader, good literature being a passion with him. His other passion, although he gives due place to his opportunities as a member of the Toronto Hunt Club, Royal Canadian Yacht Club and Rosedale Golf Club, is the Toronto Stock Exchange and financial matters generally. He has a gift for vivid imagery which is a decided aid to him in making his point of view clear. If one could conceive of the floor of the Toronto Stock Exchange in these stormy times as the deck of a battleship, one would not go far wrong in sizing up the new admiral on the bridge as a merry seadog combining salient characteristics of both Admirals Beatty and Jellicoe.

The new president will have efficient aides in H. B. Housser, who succeeds to Mr. Franks' old post as vice-president, who has served on the committee of the Exchange for some time and is a member of the Board of Governors of St. Andrew's College, director of Canada Foundries & Forgings, Stop & Shop and of other companies and in F. G. Lawson and D. F. McMillan, who have for years added to their duties with their own firms strenuous exertions on behalf of the wider interests of the exchange.

The annual statement presented for the approval of members is stated to have shown a high ratio of current assets to current liabilities with ample amounts written off for depreciation and reserve.

Bond Tenders

7.30 p.m.—June 29, Guelph—$47,887, 5 per cent, 10-year debentures.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Ontario Steel	*6%	1943	June 30	...

*Calling for tenders for $33,732, on account of sinking fund.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000.
Make Mortgage Loans on Owners' Homes at reasonable rates of interest.
ARCHIBALD McPHERSON, *President.* T. H. MAIN, *Manager*

Manufacturers of High-Grade
Knitted Underwear
Hosiery and Outerwear
Mills at: Paris, Brantford, London, Waterford, Ontario; Coaticook and St. Hyacinthe, Quebec.
PENMANS LIMITED
General Offices: Paris, Ontario
Penmans

Highest Grade Canadian Bonds Slightly Firmer

Giltedged Canadian bonds made some progress in the week ended June 20. The market firmed slightly, but lacked the fire which carried it up in May. There has, however, been noticeable improvement since June 9, when The Financial Post's average yield on seven high grade bonds touched 4.491 per cent.

At June 20, prices had risen so that the yield dropped to 4.469 per cent.

As yet there is considerable ground to be covered before the market will have reached the point where a four per cent Dominion conversion may be a certainty. But there are at least three months ahead before the conversion is scheduled. In the meantime, however, there is expectation that some substantial municipal financing may be done.

Average daily yield on seven high-grades since June 9, as calculated by The Financial Post, was as follows:

Average Yield on Seven Gilt-Edged Canadian Bonds Based on Offering Prices

Date	Yield %
June 20	4.469
June 19	4.473
June 17	4.474
June 16	4.477
June 15	4.484
June 14	4.489
June 13	4.484
June 12	4.483
June 10	4.483
June 9	4.491

NIAGARA WIRE PROFITS IN 1932 DROP SHARPLY

Directors Pay Preference Dividend When Results Known

From Our Own Correspondent

MONTREAL.—Slack demand for Fourdrinier wires by the paper industry had the effect of restricting earning power of Niagara Wire weaving during the year ended March 31, 1933. On the other hand, the company was able to maintain its liquid position and to make provision for all losses, incurred or anticipated, in inventories or accounts.

After providing for all senior charges, such as depreciation, income taxes, adjustments of investments to market value, etc., the company had a net profit of $33,821 compared with $108,900 in the previous year.

Pay Preference Dividend

Dividends on the preferred stock were deferred in July last until the directors were able to determine the outcome for the year. Since the close of the year a quarterly dividend of 75 cents a share has been paid, making a total disbursement for the year of $1.50 a share, against cumulative requirements of $3 a share.

Particulars of the income account follow:

	1932 33 $	1931 32 $	1930-31 $
*Net profit	†33,821	94,379	128,824
Oth. inc.	......	14,541	......
Total inc.	33,821	108,920	128,824
Pfd. divids.	15,543	62,625	66,000
Balance	18,278	46,295	62,824
Com. divids.	......	50,000	60,000
Surplus	18,278	‡3,705	2,824
Prev. bal.	14,753	18,459	21,538
Total	33,030	14,754	24,372
Tax adjust.	......	......	5,903
P. & L. bal.	33,030	14,754	18,459

*After all expenses, depreciation, income tax and adjustment of investments to market value. †Including income from investments. ‡Deficit.

WORKING CAPITAL POSITION

	1933 $	1932 $	1931 $
Curr. assets	621,864	611,103	705,960
Curr. liabs.	41,334	85,755	165,158
Working capital .	580,530	525,348	540,802

Few Changes Noted

Little change is noted in the value of total assets at the end of March last compared with the same date a year ago, amounting to $1,146,048 as against $1,146,494.

Current accounts payable have been reduced, while depreciation reserve has been increased from $242,260 to $279,295. No change has taken place in capital structure.

Aside from current items, assets have much the same value as shown in the 1932 report. Among current accounts, investments in Government and municipal bonds show an increase from $188,956 to $280,087 at market value. Inventories have been reduced, as also cash in bank and on hand. Accounts receivable, less reserve, registered a moderate increase.

Public Utility Earnings

East Kootenay Power

April:	1933	1932	Decrease
Gross earn.	32,683	33,855	1,172
Oper. exp.	10,715	11,238	523
Net earn.	21,968	22,617	649

B. C. Power Corp.

May:	1933 $	1932 $
Gross revenue	992,218	1,100,195
Oper. expenses	694,286	789,673
Net earnings	297,932	310,522
11 Months:		
Gross revenue	11,792,576	13,087,162
Oper. expenses	6,531,579	7,310,168
Net earnings	5,260,997	5,776,994

CAN. PAPERBOARD REORGANIZATION MEETS APPROVAL

New Plan Will Require Time to Place in Operation

From Our Own Correspondent

MONTREAL.—Bondholders have approved of the reorganization plan proposed for Canadian Paperboard Co. The company's counsel is working on details of the plan and it is expected that some time will elapse before definite steps will be taken to put the scheme into effect.

Generally the plan calls for the annulling of the bankruptcy of the company and the equity of the trustee in bankruptcy in the assets and undertakings of the company be revested in the company to be subsequently sold and transferred to four separate operating companies. This will be done in such manner as to vest in each of the operating companies one of the four plants of the company. The Montreal operating company will have all the operating assets.

Form Holding Company

A holding company will be formed to acquire all the capital stock of the operating units. It will have a capital of $2,500,000 of 7 per cent preference stock and 20,000 shares of no par value common stock.

Under the reorganization Canadian Paperboard bondholders will receive one preference share for each $100 of bonds, plus one share of common stock for each $400 of bonds; ordinary creditors will receive one share of common for each $100 of claims; preference shareholders will receive one new common share for each two shares of old preference held; while common shareholders will receive one new share for each 10 shares of old stock held. In addition, the new company will have outstanding a 10-year obligation of $44,167 arising out of claims against the trustee by the Quinte and Trent Valley Power Co.

ORANGE CRUSH HAS POOR YEAR CASH IS REDUCED

Auditors Indicate Certain Assets Are Over-Valued — Costs Reduced

Net earnings from operations of Orange Crush Ltd. dropped to $13,828 in 1932 from $86,192 in 1931. Other revenue showed some increase but after provision for depreciation, etc., a loss of $5,666 is reported for 1932 against profit of $46,674 in 1931. Payment of one quarterly dividend on the preferred stock further reduced surplus by $11,375. Sales are reported to have dropped $180,857 from the 1931 level, while cost of sales decreased by $61,332. Selling, delivery and administration expenses were reduced by 23 per cent and savings effected in the last quarter of the year will be reflected to a greater extent in 1933.

No reserve has been provided for depreciation of investments in subsidiary and allied companies aggregating $308,136, or advances to these companies aggregating $292,610. In the opinion of the auditors, Peat, Marwick, Mitchell, these assets are included in the balance sheet at values that are excessive. Income and surplus account of the company is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1932 $	1931 $
Net earnings	13,828	86,192
Add: Int., disc., rent, etc.	7,948	7,648
Total net earnings ..	21,776	93,840
Less: Interest	2,830	731
Depreciation	18,973	23,194
Loss on bonds	557	......
Income tax reserve	......	6,246
Res. for doubtful accts.: Customers' accts..	5,081	1,388
Subs. & allied cos.		15,607
Profit for year	*5,666	46,674
Less appropriations: First pref. divs.	11,375	45,500
Surplus for year	†17,041	1,174
Add: Prev. surplus ..	23,206	24,382
Less: Prior year inc. tax adj.	969	2,350
Balance forward	5,196	23,206

*Loss. †Deficit.

An average balance is shown between current assets and current liabilities. Cash is down to $1,603 from $29,446; notes and accounts receivable down to $16,754 from $24,984 and inventories down to $22,995 from $28,085. Bonds carried in the previous year at $14,174 and amount due from Orange Crush Bottling Co. of $30,010 no longer appear. The company owes $14,161 to its bankers; notes payable are down to $7,261 from $9,600, accounts payable to $23,405 from $27,939 and deposits on containers down to $23,242 from $26,047. Working capital position is as follows:

WORKING CAPITAL

	1932 $	1931 $
Current assets	41,351	126,699
Current liabs.	69,084	82,115
Working capital	*27,733	44,584
Ratio	0.59—1	1.54—1

*Excess of current liabilities over current assets.

Fixed assets are carried at $183,487 after deducting $96,734 for depreciation. Containers are carried at $69,432. Reserve for accounts receivable from allied and subsidiary companies totals $15,607. There is outstanding 6,500 shares of first preferred stock, 40,000 shares of second preferred stock and 80,000 shares of common. Plant of Latin-American Orange Crush Co. is being maintained but is inactive pending improvement of conditions in Cuba. Proposal has been made to acquire Orange Crush Bottling Co., of Winnipeg, presently in liquidation, by issue of second preferred and common shares.

Note: See page 2 for information as to how a complete analysis of this company can be obtained.

Silverwood's Declares Preferred Dividend

Directors of Silverwood's Dairies, Ltd., have declared a dividend of 1 per cent on the preference stock, for the quarter ending June 30, payable July 3. This is at the same rate as for the previous quarter.

Declaration of this rate indicates that dairy earnings are being maintained this year about on the level of those of last year. Silverwood's Dairies holds 26 operating companies in Ontario between Peterborough and the Border Cities, including London, Hamilton and Toronto.

WATERLOO MFG. REDUCES LOSS DEFICIT HIGHER

Current Liabilities Up — Working Capital is Lower

Faced with a continuance of unsatisfactory conditions due to low prices on farm products, Waterloo Manufacturing Co. reports a further loss of $138,931 in the year ended October 31, 1932, which compares with loss of $172,684 in the previous year. Additional reserve of $50,000 for possible losses on receivables and adjustment of life insurance increases the deficit carried forward to $374,227. Recent improvement, if maintained, should benefit the company but in the past year collections have been difficult and working capital position was weakened. Products of the company include threshing machines and combines.

Income and surplus account of the company is as follows:

CONS. INCOME & SURPLUS ACCOUNT
Years Ended October 31

	1932 $	1931 $
Net loss*	138,931	172,684
Less appropriations:		
Adj. life ins.‡	4,655	......
Addit. res. for b. d.	50,000	......
Adj. of invent. val.	......	12,922
Deficit for year	193,586	185,606
Add: Prev. deficit ..	183,599	2,007
Refund on 1929 inc tax	2,958	......
Deficit forward	374,227	183,599

‡To cash surrender value.

Cash is shown at $1,869. Notes and accounts receivable are down to $1,625,542 from $1,803,036, after reserve for bad debts, and inventories are down to $574,165 from $658,731. Bank loan and overdraft is up to $1,464,219 from $1,438,472; notes and accounts payable are up to $114,076 from $49,077 but are stated to have been reduced since the end of the last fiscal year. Unpaid call of Sunshine Waterloo Co. is shown at $100,000. Working capital position is as follows:

WORKING CAPITAL

	1932 $	1931 $
Current assets	2,201,575	2,466,188
Current liabilities ...	1,678,295	1,487,549
Working capital	523,280	978,639
Ratio	1.31—1	1.66—1

Investment in Sunshine Waterloo Co. is caried at $350,000 of which $100,000 is offset by contra item in current liabilities. Fixed assets are carried at $451,643 after provision of $34,618 for depreciation which has not been increased in the last three years. Amount owing for shares of company purchased for benefit of employees is $76,912; and deferred charges covering cost of introductory sale of combines is $138,419. There are outstanding 81,840 shares of class A stock and 27,500 shares of class B stock.

Note: See page 2 for information as to how a complete analysis of this company can be secured.

Lt.-Col. J. M. Ferguson Continues Financial Firm

Lt.-Col. J. M. Ferguson, of Brantford, has taken over all of the insurance and investment business formerly conducted by Ferguson & Coate. The business will be continued at the same address, 41 Market Street, Brantford.

Lt.-Col. Ferguson has had a long financial experience. He began with the Dominion Bank as junior clerk at Toronto in 1907 and served continuously until 1927 with the exception of the years of the war when he served in France with the 4th Canadian Mounted Rifles.

Mr. Ferguson originally opened the branch of the Dominion Bank in 1919 and remained as manager until 1927 when he retired to enter the brokerage and investment business with which he has been associated ever since.

Maritimes Use Fertilizer

Some 30,000 tons of fertilizer were shipped by rail from Saint John during the past month to points in Prince Edward Island, Nova Scotia, Maine and New Brunswick.

Forest Hill Issue Sold on 5¼% Basis Less 40c

Village of Forest Hill, Ont., has sold $97,107 of 10, 15 and 20-year installment five per cent debentures at 97.845 to Dyment, Anderson & Co. The cost basis to the village was 5¼ per cent, less 40 cents per $100 of bonds.

Bids were requested for both five and 5½ per cent bonds. C. H. Burgess & Co. bid 98.53 for $62,515 of 5½'s, and 95.37 for $23,855 of 5's.

Other bids for 5's were as follows:

Unsuccessful Bids on Forest Hill Five Per Cent Debentures

Cochrane, Murray & Co.	97.27
Griffis, Fairclough & Norsworthy..	97.13
Wood, Gundy & Co. and Dom. Secs.	96.317
J. L. Graham & Co. and Can. Bk. of Commerce	94.77
Fry, Mills, Spence & Co.	97.09*

*Asked for option on 5's on 5.42 per cent basis.

Lanark County Sells $20,000 of Debentures in Perth Area

County of Lanark, Ont., sold $20,000 of five per cent 10-year debentures recently to Tom Farmer, Perth. The bonds were sold in the vincity of Perth. No details of the price of purchase or sale are available.

County of Lanark has no unsold debentures. Total tax levy for 1932 $225,000, all of which was collected.

At the end of 1932 the county's total debenture debt was $376,780. Since that time new debentures to the extent of $26,000 have been authorized and sold. During 1933 $61,086 of maturing debentures are being paid off from current 1933 levy.

No new construction work is being undertaken by the county this year.

$204,600 Moncton Bonds To Cost Slightly Over 5⅛%

City of Moncton, N.B., has sold $204,600 of five per cent, 20-year debentures to Midland Securities Corp. and Cochrane, Murray & Co. at 98.41. This represents a cost basis to the city of 5.125 per cent, less four cents per $100 of bonds.

Other bids were as follows:

Unsuccessful Bids for City of Moncton Five Per Cent 20-Year Debentures

A. E. Ames & Co. and Bank of Montreal	98.375
McLeod, Young, Weir & Co., and Bell, Gouinlock & Co.	98.05
Harrison & Co. and McTaggart, Hannaford, Birks & Gordon	97.50
Bank of N. S. and R. A. Daly & Co.	97.293
Wood, Gundy & Co. and Eastern Securities	97.17
Dominion Securities Corp.	96.07
J. L. Graham & Co. and C. H. Burges & Co.	98.41

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1932 $	Net Income 1931 $	Common earnings 1932 $	Common earnings 1931 $	Curr. divid. $	Balance car. fwd. 1932 $	Balance car. fwd. 1931 $	Mkt.	Mkt. times earn.	Yield %
Can. Wineries	Apr. 30, '33	7,155	20,921	0.7	0.21	20c	102,145	110,908	3½	...	5.7
Langley's	Dec. 31	*19,169	40,874	...	...	...	95,318	136,244	...	...	...
Claude Neon Gen. Adv.	Dec. 31	*66,773	188,397	...	0.07	...	464,828	834,364	0.90	...	...
Eastern Steel Products	Nov. 30	*15,135	34,793	...	0.078	...	310,664	439,553	...	...	...
Brewing Corp.	Oct. 31	†*319,073	*235,509	...	...	...	‡805,702	‡496,591	1¼	...	...
Orange Crush	Dec. 31	*5,666	46,674	...	...	...	5,196	23,206	2	...	...
Sterling Coal	Mar. 31, '33	*125,725	*36,167	...	...	...	200,668	326,391	1	...	...
Waterloo Manufacturing	Oct. 31	*138,931	*172,684	...	...	...	*374,227	*183,599	3	...	...

*Loss. †For 10 months. ‡Deficit.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Moncton, N.B.		Midland Securities and Cochrane, Murray & Co.	5%	20-yr.	$204,600	98.41	5.125%
Forest Hill Village, Ont.		Dyment, Anderson & Co.	5%	10, 15, 20-yr.	97,107	97.845	.....
Dorval, Que.		E. Savard, and Rene T. Leclerc	5½%	10-yr. ser.	75,000	95.61	6.20%
Aurora, Ont.		Dominion Securities Corp.	6%	30-ins.	39,781	.....	5.75%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered By	Rate	Maturity	Amount	Price	Yield
Maritime Tel. & Telephone	June 16	Royal Securities Corp.	5%	1958	$500,000	*94	5.45%
Riverside Golf & Country Club	June	T. M. Bell & Co., and syndicate	6%	1953	†75,000	100	6%

*Offering price. †$25,000 offered; $50,000 subscribed for by club members.

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TORONTO, JUNE 24, 1933

TRUSTEES AND TRUST DEEDS

SOME holders of International Paper Co. refunding mortgage six per cent bonds, due 1955, are disgruntled over the company's transfer of certain New England power properties from under the trust deed for their bonds. A demand note, representing large expenditures on Canadian properties of the International Paper group, was substituted as collateral for the bonds.

Despite the fact that the face value of the note and the book value of the expenditures represented by it are larger than was the estimated equity of the bondholders in the power properties, there is some reason to be dissatisfied with the deal. The note represents a debt secured only by junior securities of newsprint companies, whereas the power properties were represented by equities understood to enjoy relatively stable earning power. No bondholder would prefer junior paper stocks, to an equity in such power properties as security; especially in view of present difficulties of the newsprint business. In time, conditions may cause modification of this view.

The trustee, Bankers Trust Co. of New York, accepted the note in substitution for the power assets because of the terms of the trust deed. It is believed that the trustee felt it was mandatory upon it to do so without using its discretion, provided that the terms of the indenture were satisfied.

Two questions arise from the transaction: (1) what should be the discretionary powers of trustee? and (2) how carefully must investors read trust deeds before they purchase bonds?

There are probably cases in which trustees should be capable of acting on their own discretion, since they are sometimes the bondholders' only representative. But sometimes trustees cannot do this in Canada or the United States without making themselves liable for prosecution in case of resultant loss. It is believed that this was true in this case. The Bankers Trust Co. might not have consented to the substitution of security, had it been able to refuse with the protection of the law against possible future action by interested parties. But reliable legal opinion is understood to have advised the company that the terms of the indenture had been met and the trustee could not safely refuse the substitution.

In the case in question there was a clause in the trust deed, which allowed the transaction to be made. Under it, International Paper Co was and is allowed to substitute evidence of expenditures previously made, to replace assets securing its refunding mortgage bonds. The demand note was the evidence. Actually it represented more in book value of expenditures than was required.

But a clause of this kind in a trust deed clearly leaves an opening for abuses. If a company makes an unprofitable expenditure on improvements, it can, under this clause, pledge the evidence of the investment under the trust deed and remove other assets. A single clause of this nature, therefore, may be used to seriously impair the security behind some bond issues.

Every lender of money on call knows that substitutions of securities must be given close scrutiny. If it were possible for the borrower to dictate what he would substitute for withdrawal of securities, call loans would not be made at all. In the case of International Paper Co 6's of 1955, the borrower is authorized to do something akin to this. It would be better for borrowers and lenders alike, if such powers of substitution were eliminated from trust indentures.

INDEPENDENT NEWFOUNDLAND

NEWFOUNDLAND is justly proud of her independence and of her position as Britain's oldest colony.

Citizens of the United States apparently forget this or else are ignorant of the fact that Canada and Newfoundland are entirely separate as far as political ties are concerned.

For instance a prominent Newfoundlander is authority for the statement that ninety-nine out of every hundred Americans when they send stamps for a reply letter, send Canadian stamps.

Another example is the publication each month by an American reporting bureau, of life insurance sales. These sales include Newfoundland as well as the Canadian provinces but invariably they are sent out as the sales for Canada.

Perhaps abandonment of the traditional U. S. policy of "isolation" by President Roosevelt will help to keep Americans more intimately informed about what is going on outside their four boundaries—and indeed on their very front door step.

AMERICA EXPERIMENTS

HAILED by Franklin D. Roosevelt as "the most important and far-reaching legislation ever enacted by the American Congress," the National Industrial Recovery Act is now part and parcel of the law of the United States. In signing the bill Mr. Roosevelt described the statute as "a supreme effort to stabilize for all time the many factors which make for the prosperity of the nation and the preservation of American standards."

Whether or not the Act justifies the extravagant hopes of its sponsor will in large measure, as the New York Times tritely remarks, "depend on the results." Much will turn on the way the Act is administered and on whether or not it has the "whole-hearted co-operation of industry, labor and every citizen of the nation." Without this Mr. Roosevelt himself admits the new measure cannot succeed.

Equally vital is the choice of men to put the laws into effect. "It ought to be understood that no hack politician need apply," says the Times.

For the short term there is little doubt that the legislation will have many semblances of success. The very fact that its provisions plus those of other important statutes passed at this memorable session of congress provide for the expenditure of almost $13,000,000,000 of public money is sufficient to ensure that wheels will turn that have been idle and payrolls will be full that were empty.

From a longer rang the legislation is significant not only for what it may do to speed economic recovery but for its social implications. If it succeeds as a gigantic experiment of government in business it may pave the way for a social revolution of a more permanent character. Even if it achieves only a partial measure of success, it may be contended that any failure was due to its provisions not having gone far enough and thus lead to a demand for further and more drastic measures of the same nature.

Great Britain has been "rationalizing" industry along somewhat similar lines (although without the same legislative sanctions) for several years now and only recently a leading editorial in the Trade and Engineering Supplement of the London Times suggested that when the word "rationalize" first came into common use it was by no means an infrequent occurrence to see it spelled by the printer in error but in all good faith "nationalize." Looking back over intervening years the Times asks: "Are we moving toward the nationalization of industry by way of preliminary combination? Are we moving toward socialization from above instead of socialization from below?"

In United States as well as in Great Britain these questions are equally apt and they crystallize in a word the probable potentialities of America's new legislative programme. For Canada too there is the added significance of short-term implications, referred to some weeks ago in The Financial Post. Particularly noteworthy is the possibility that the legislation may prove on the one hand a distinct aid to the newsprint industry and on the other a definite hindrance to a reciprocal trade pact between the two countries. Lumber and copper taxes against Canadian products have already been extended another year as a result of this measure and its ramifications.

On the surface, this legislation, as one shrewd Canadian business man remarked, looks like a fairy tale. If that is true it remains to be seen how many citizens of the United States (in addition to Mr. Roosevelt) believe in fairies.

SELLING "SIGHT UNSEEN"

TRADING horses in the dark, neither party seeing or examining the horse he is buying—a favorite sporting transaction in early pioneer days in Canada, known as selling "on sight unseen"—was comparatively fair and sound when contrasted with the vogue of mystery stocks in recent years on Canadian and United States stock exchanges. On one side, stocks of unknown potentialities are bought because the mystery (in other words, the lack of information concerning them) is supposed to cloak attractive situations or possibilities, while on the other side good money of known value is received. It is a most one-sided transaction.

The general public holds in its own hands the means of securing vast reforms in financial practices. It could bring about sweeping changes by ignoring stocks of companies which do not give adequate financial information. The shareholder should insist on knowing the business of his own company so far as explicit and revealing annual, quarterly or even monthly statements can show it. Legislatures and stock exchanges are slow to make publicity of financial results of operations of joint stock companies essential to the great privileges allowed those who form such companies. But shareholders can awaken legislators, directors and auditors to a sharper sense of their responsibilities by ignoring securities of those companies which will not give him enough information to enable him to form an opinion.

Under conditions where adequate information is not given both buying and selling of stocks is "on sight unseen;" that is, they take place in a mental dark lighted only by such flitting fire-flies as tips, manipulation, propaganda or partial information. It may be "sporting" and one may sometimes be successful in "buying blind" but it is also good common sense to buy only that to which one can give thorough examination and study.

It is true that a company which does not publish regular financial statements may be hiding strength rather than weakness. Imperial Oil is the classic example of that in Canada: for nearly 50 years that company advanced in financial strength, in revenue, in dividends paid, in variety and number of products and in services rendered its various communities in Canada and elsewhere. Those who bought stock in it were far from blind: they could study the record of the company as to dividends, as to directors, as to affiliations, as to expansion in services and products; they could form the judgment that an era of almost unparalleled expansion was opening up for the internal combustion engine; and they could buy and hold the stock to back their opinion.

Eventually continued increase in dividends attracted the crowd. Investors let their enthusiasm run riot; they over-estimated profits and possibilities. They paid more for this company's shares than for Dominion Government bonds. Officials deprecated this extreme and extravagant optimism and eventually decided it was the best policy to publish the financial statement. As a result shareholders and investors generally have been able to see that during the depression the company's revenues have dropped year by year until in 1932 dividends were barely covered. Without the successive financial statements neither shareholders nor the public could have guessed how things stood; the company paid the same dividends, it is as powerful as ever for every practical operating purpose and it even paid a large bonus from accumulated profits outside Canada.

The Imperial Oil example only underlines the value from the public point of view of having regular financial statements. As long as a few powerful companies hide their profits no one is deceived about them but it creates an impression in the public mind of which unscrupulous market riggers can take advantage. If mystery is allowed to be a prominent factor in market operations, such market riggers can lead people to believe that there is strength where there is no strength, profits where there are only sales and growth where there is decay. But that deception cannot be carried on if the investor undeviatingly buys only where full information is available.

EVERYBODY'S DUTY NOBODY'S

PEOPLE and politicians in Canada often see clearly the necessity of reform a long time before anything can be done about it because of jurisdictional disputes. In Canada the disputes as to jurisdiction as between federal and provincial legislatures take precedence of decided, needed and even wanted action time and again. It is like two men fighting on a river bank to decide which will rescue a drowning man. In a federation which tries to divide up the areas of legislation and administration there cannot help but be conflict but there is no excuse for not devising ways of overcoming that conflict.

It is important to define jurisdiction but once courts have spoken on a disputed case, legislators and governments should hasten to create devices by which the rights and welfare of citizens can be looked after. In company legislation, for instance, it is absolutely important that companies be formed and operated along sound lines with respect to the public welfare. There are conferences of provincial premiers from time to time where such questions are discussed but no really spectacular or even encouraging steps are taken which ensure, for example, that a Canadian can depend on essential justice being done whether a company is incorporated under Dominion laws or the laws of one of the nine provinces.

Economists in Canada agree that uniform company laws over the whole Dominion would improve the position vastly for the average investor in securities and for the creditors of companies. There is agreement in major points among experts on company law but how can that agreement be expressed under present conditions?

In this field the perplexities caused by clashing jurisdictions are so grave that drastic action is called for even if it involves the provincial premiers arriving at an agreement with the Dominion government as to constitutional changes so that all business will be governed alike under one common law or under reasonable laws which are alike because all are based on agreed upon principles.

EDITORIAL NOTES

Bars to recovery have featured many news headlines recently. It is to be hoped that the 70-foot cocktail bar in the London Geological Museum will really be a bar to recovery.

* * *

At Wetaskiwin the other night, William Irvine, M.P., told listeners that the big London parley was the 51st conference since the war. Someone has apparently missed the opportunity to hold a golden jubilee of Associated Big World Meets, Inc. or whatever the official organization of conference experts calls itself.

POST-scripts

THE long suffering British taxpayer has turned his eyes of longing on the Isle of Man. For that little gem of the Irish Sea not only finished its financial year with a surplus but set an example to the world by cutting income tax rates. Financial reports for the year showed a surplus of 5,000 pounds sterling more than anticipated. Income tax returns alone amounted to 9,000 pounds over the estimate.

The income tax rate instead of ranging from one shilling to three and a sixpence on the pound will now begin at 10 pence and will be two shillings and 11 pence on the highest incomes.

The British standard rate of income tax is five shillings on the pound.

TWO hundred years ago metallurgical processes were hardly known. But money dealers did not let this prevent them estimating the fineness of gold coins. How they did it with approximate accuracy was recently made clear by perusal of a work on foreign exchange written in 1707.

Bankers and money dealers owned a set of needles of gold and silver in alloy. There were 24 in the set. The first would contain 24 parts gold, the next 23 parts gold and one part silver, the next, 22 parts gold and two parts silver, and so on. The color of the needles varied from a pure gold shade to a pure silver.

All the banker had to do, to approximate the fineness of a coin, was to compare it with the various needles. The needle which most closely approximated the color of the gold coin told the banker the approximate fineness of the coin. The process of color matching was similar to that which the modern dentist follows in selecting the proper color of cement with which to fill teeth of different colors.

We have yet to learn what the goldsmiths and bankers did when debasers of coins like Henry VIII washed coins with pure metal to give them a better color.

STEPHEN LEACOCK, like George Bernard Shaw, is front page news to most Canadian dailies. The press was on hand to take note of the remarks of the distinguished Canadian humorist and economist when he rose to address the opening session of the annual meeting of the Canadian Political Science Association recently. Mr. Leacock did not disappoint either the economists or the press.

"That ghastly thing called 'salesmanship' had as its first representative the serpent in the Garden of Eden," said Mr. Leacock.

To illustrate that it was no good waiting for the depression to cure itself "in the long run," Mr. Leacock mentioned the parallel of the bull in a china shop. "It is no use to say that he'll be pretty tired by the time he's wrecked all the shops in town," was the McGill professor's method of depicting the need for action to cure our present economic ills.

The economic man, who will work only in his own interest, came in for much comment from the McGill savant. "It would be an error to try to conceive a new human society without taking this man into account. Because of him there could be no political economists in heaven," he said.

"You'll be sorry to hear that," he continued. "You will have to go somewhere else for lectures. Because the economic man in heaven would seize the best harp and the best crown, and then he'd start a holding company."

"The economic man made Socialism impossible," said Mr. Leacock. "Socialism is good only for crooks, dreamers and young people who have nothing behind them."

Shakespeare was quoted in the Leacockian definition of the economic man. Quoth the bard in his play, Titus Andronicus; "What is there in it for me."

New Books

Better Golf

Shattering all the time-honored golf phrases such as "Keep your eye on the ball," "Don't sway," "Don't bend the left arm," etc., Alex. J. Morrison seeks to instruct the golfer, whether dub or champion, in his new book on golf entitled "A New Way of Better Golf," by an entirely different method from that of the usual professional.

That Mr. Morrison is qualified to pose as a teacher can be judged both from the number of prominent persons who express complete satisfaction from his tuition and from the fact that, while many other prominent golfers and teachers have concentrated on playing the game Mr. Morrison has always concentrated on the teaching side of his profession.

Feature of this book, which is published by the Musson Book Co., Toronto, at a cost of $2.00, is the money-back guarantee which states that if, by putting Mr. Morrison's theories into practice and within one month, your score is not reduced according to a supplied schedule, your money will be refunded.

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By M. M. Wilner

SOCIAL REVOLUTION OR ECONOMIC PROSPERITY

WASHINGTON. — Perhaps the key question is whether the extraordinary programme of laws adopted at the special session of Congress was prepared with the primary purpose of restoring economic prosperity or of laying a foundation for social revolution.

On the first assumption, the enactments are so comprehensive as to leave little basis for any future argument that they were insufficient. If the objective of general prosperity is not attained, the natural course of public opinion must be reaction toward the old ways of doing things.

If the ambition to evolve a new organization of society under a new type of Government was the guiding thought, its achievement naturally will be held to be more important than immediate individual prosperity. In that case, any gains from the new policies will not prevent vigorous pressing for more laws of the same character when Congress meets again in January, while failure to advance the economic level this summer and fall would inspire still more insistent efforts to go further.

* * *

AS THE business situation stands at present, the fact, though rarely pointed out, is clear from the figures of bank debits, factory outputs, wage payments, etc., that up to the middle of June the economic level still was slightly lower than a year ago. This is not necessarily discouraging, for the upward movement since March has been pronounced, but the comparison with last year shows that progress has a long way to go.

The conditions in 1932, though they showed some small degree of improvement from April to October, were thought to be so bad that they could not be worse. It is only because they did become much worse between October and March that the rallies since then have made a return to near the 1932 level look almost like cause for enthusiasm.

It is true that business last year was measured by a stable, gold standard dollar, while it is now reckoned in terms of a depreciated dollar. The $10,000.000 which Great Britain paid on debt account, for instance, would have depleted her treasury only about $6,000,000 in monetary values of last year. By this mode of reckoning, the advance of 1933 would fall considerably farther behind the mark of 1932. It is a question, nevertheless, whether the depreciation of the dollar in foreign exchange has had much effect as yet, even on domestic prices, to say nothing of volumes of business.

As a matter of fact, the actual circulation of money in the United States has declined while prices and business have been advancing. If the disuse of gold through the orders against hoarding and exportation and repudiation of gold contracts is looked upon as eliminating the $4,000,000,000 of gold in the country from the available supply of money, the decline in circulation has been enormous, and the experience of this spring would call for a complete reversal of the quantitative argument for inflation.

* * *

TO WHATEVER extent the improvement up to date may be credited to shortage of supplies, to a tardy spring awakening, confidence in the administration, relaxation of the money standard, speculative calculations on inflation, and so on, the developments in the coming months must reflect more distinctly the new laws in actual operation.

There certainly is one basis for a big advance in prosperity during the remainder of this year which connot easily be offset by errors or misfortunes in other lines of governmental operation. The amount of money which the special session of Congress made available for distribution, either direct from the treasury, or by means of bonds bearing Government guaranty, runs between $13,000,000,000 and $14,000,000,000. In addition to regular budget for ordinary expenses which was cut heavily and most commendably, the billions voted for extraordinary enterprises made even war finance look a bit weak by comparison. In addition to the $3,600,000,000 for public works in the industrial control bill, there was $500,000,000 of relief aid to States; $4,000,000,000 for home and farm-mortgage relief; an estimated $1,000,000,000 for agricultural bounties, to be raised by special tax; the indefinite cost of a reforestation army of 250,000 men; the unlimited Government power development at and distribution from Muscle Shoals, and some lesser grants.

Most of this money is to be used, under the plans laid down, in self-liquidating enterprises. The mortgage funds will not even be Government bonds, but will merely bear the Government'ss guaranty. This money represents, as will many of the sums granted to states and cities for public works, a further extension of the method of loaning public credit to help out business and individual citizens, which appeared in the operations of the Reconstruction Finance Corporation and the Farm Board under President Hoover.

Argument might be built up as to the danger of a collapse when the cash has been spent and no more is available from the same source, but it seems almost incredible that such a great amount of money as $13,000,000.000 will not make business and industry very active so long as it lasts.

* * *

UNDER these new laws, moreover this administration is not merely supplying the money to be spent. It is authorized to organize industries, close up the disobedient, regulate output, determine prices, fix minimum wages and hours of labor, control the banks from which business derives credit, issue $6,000,000,000 of paper notes and unlimited silver coins, transform $4,000,000,000 of gold into $8,000,000,000 by reducing the number of grains per dollar, disregard previous contracts to pay in gold, levy taxes on consumers to pay bounties to farmers, put additional duties on imports to equal the bounty taxes, and impose direct embargoes on imports under certain provocations.

Happily most of this authority is discretionary, and the best hopes for President Roosevelt are that he will use very little of it. All the same, if prosperity is not achieved for a time, at least, the blame certainly connot be laid to a refusal of money or power.

It should be noted, by the way, that two functions suggested for the President were not granted. While he can raise tariffs in certain cases, he has no power to lower them, other than President Hoover possessed. Moreover, Mr. Roosevelt was not given any power to reduce foreign debts. Thus the two elements in the international situation to which many Canadians and Europeans attributed the world's hard times remain in the same status as before.

As to the question whether this programme is a complete experiment or only a first step, there may be interest in observing that Norman Thomas, latest Socialist candidate for President, calls it "State Capitalism" and the "Economics of Fascism," adding his scorn for "that anaemic beast which in America we call Liberalism," Mr. Thomas thinks the Roosevelt programme is a desperate effort to head off Socialism. Though he does not so explain, the difference between "State Capitalism" and Socialism appears to be that under the one a Government pays interest on its bonds and under the other it simply takes the money and repudiates the debt.

Other Peoples' Views

Cost of Social Services

Regina Leader-Post—Such social services as old age pensions and mothers' allowances are becoming a pretty formidable item in Saskatchewan. For instance, where, in March, 1929, 2,827 persons were receiving old age pensions, the number in March of this year stood at 8,160. Where the amount paid out to pensioners in April, 1929, was $55,556, it had increased to $138,554 for April, 1933. A similar striking increase is shown in the number of residents in receipt of mothers' allowances.

The situation may not be unrelated to the nature of the times. There is reason for believing that not a few persons who, while eligible for pensions from the standpoint of years, had, for reasons of independence and pride, refrained from applying for such so long as they had the means to "get by" on their own account. But conditions of the past four years have had their crippling effect upon personal savings, and may thus have aggravated demands for benefits under not only old age pensions but other social legislation. The entire situation in Saskatchewan may not be unrelated to unwise national policy of the past few years.

At the same time, the situation disclosed by the Provincial Government may not be one wholly complimentary to the individual. It will be a sad day for Canada if Canadians are going to merely lean on the state and disregard responsibility on their own part in the matter of provision for old age. One of the stock complaints against social legislation is that it weakens the props of personal responsibilty under the individual. There come to mind not a few types of persons whose philosophy of life has been, "Sufficient unto the day is the evil thereof"—who have plodded along through life evidently without a thought of the morrow and the desirability of providing for it. A pension, it should be kept clearly in mind, means that other persons are having to foot the bill.

Seven Causes of Low Wages

The Efficiency Magazine, London.—There are seven main causes of low wages.

1. High taxation. This is the principal cause of all our business troubles. It reduces wages just as much as it reduces profits.

An overtaxed firm is compelled to economize. Naturally, it cuts down wages.

Always, a squandering government is the worst enemy of wage-workers.

2. Deflation. When money is made scarce and dear, prices and wages go down.

Deflation injures workers by causing a depression. Business is not good when prices are falling. New enterprises are not started.

3. Obsolete equipment. High wages are made possible by up-to-date power machinery. A part of the benefit of machinery always goes into the pay-envelopes.

All lack of equipment and all obsolete machinery reduces wages.

New machinery temporarily throws some people out of work but in the long run it makes more jobs than it destroys.

4. Inefficiency of workers. Many workers have themselves to blame for their small pay. They do as little work as they dare.

Lazy, careless, unskilled workers are rarely worth what they get.

5. Inefficiency of employers. This is, of course, a common cause of low wages everywhere.

An employer who does not know how to make good profits is unable to pay good wages. His people suffer because of his muddling.

6. Lack of salesmanship. A low volume of business tends to reduce wages. Skilled salesmanship always puts wages up and makes jobs for more people.

7. Price-cutting. The price cutter is always a wage-cutter. He knocks the profit out of business. He compels wage reductions.

The one possible way to maintain wages, in spite of high taxation and deflation, is for all the members of a firm, directors and workers alike, to concentrate their attention upon the prevention of waste and the making of more net profit.

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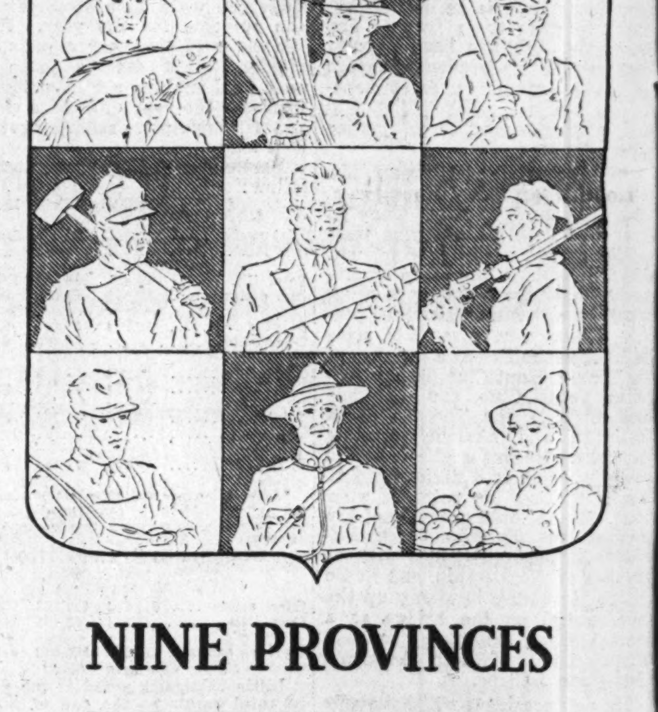
Use Canadian Stone

The increasing use of Canadian stone in Canadian buildings is one good augury for the quarries of Canada, as seen by M. F. Goudge, mineral technologist of the Dominion Department of Mines. In 1929, he points out, the production of building limestone was only $296,413 and the quarries were poorly equipped; in 1930 the value had risen to $1,749,682 for the year, with quarries much better equipped.



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and Hamilton - - $6.25
" Saint John - - 8.00
" Montreal - - 7.00
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and Winnipeg - $3.00
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" Halifax - - - 8.50
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and Victoria - - - $3.50
" Toronto - - 4.75
" Montreal - - 5.50
WINNIPEG
and Vancouver - $4.50
" Sydney - - - 6.25
" Halifax - - - 6.25
TORONTO
and Vancouver - $7.75
" Saint John - 2.55
" Halifax - - - 3.50
MONTREAL
and Vancouver - $8.25
" Edmonton - 6.75
" Halifax - - - 2.40
SAINT JOHN
and Edmonton - $7.75
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" Quebec - - - 1.30
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" Ottawa - - - 2.80

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Manitoba Telephone System
Maritime Telegraph & Telephone Co.
New Brunswick Telephone Co.
Saskatchewan Government Telephones

THE TRANS-CANADA TELEPHONE SYSTEM

The Week in Business

World Business Uneven

IT SHOULD be remembered in discussing the probabilities of successful outcome of the World Economic Conference at present in conclave in London, Eng., that the effect of any agreements reached there will affect individual countries in a different manner and that no panacea for the world's economic ills can be evolved which will immediately bring back a period of stability throughout the world.

Business indices show that world countries are at present in entirely different positions as far as so-called normal activity is concerned. For example, United States and Canada are only beginning to show a definite return to more prosperous days—with Canada lagging behind the United States—while many world countries have been slowly rising from the pit of the depression for more than a year. Production indices in Germany made a steady advance throughout 1932 from the low point reached in December, 1931, France "turned the corner" about the middle of 1932 while Britain, after a sharp rise following the abandonment of gold in September, 1931, drifted down to below the former level only to start back strongly again in the fourth quarter of 1932.

It is obvious, therefore, that the countries which will benefit most from legislation designed to increase trade through the lifting of onerous duties, raising of price levels, or any other schemes attempted, will be those which are at present in the strongest position to take advantage of these changes as they are brought about.

* * *

Farmers' Income Maintained

IN CONSIDERING the current level of wheat prices in the light of increased purchasing power for the prairie farmer it should be remembered that the bulk of the 1932 crop had left farmers' hands before the rise really began and therefore the higher prices must be regarded rather in the light of potential income from the 1933 crop than increased income from that of 1932. The W. Sanford Statistical Service, Winnipeg, estimates that nearly 300,000,000 bushels had left farmers' hands before the effect of the United States inflation scheme carried prices upward. Since that time to the end of May, an additional 39,000,000 bushels has been delivered.

Since the crop year started on August 1, 1932, increased deliveries as compared with the previous year have maintained the farmers' income at the level of 1932, in spite of the average price per bushel having fallen from 43.2 cents to 30.6 cents. In Manitoba and Saskatchewan, income is somewhat ahead of last year while there is a considerable decline recorded in Alberta.

* * *

Loadings Gain Sharply

LATEST reports estimate that approximately 97,000,000 bushels of grain remain in country elevators, and a certain proportion of this may not yet be sold by farmers. Movement out of these elevators during the past few weeks has been exceedingly rapid as owners prepare to handle the new crop. This, more than any other single factor has been responsible for the excellent showing made by car loadings in the first two weeks of June.

In the week ended June 10, car loadings rose to 40,824, the highest total recorded in the past 34 weeks, or since October, 1932. The corrected index number also rose to the high point of the year, being 65.63 compared with 61.59 in the previous week. Probably more significant, however, than the rise in the total loadings is the rise in merchandise loadings recorded. the corrected index rising from 69.04 to 71.98, the highest point since the week ended March 18, 1933.

* * *

External Trade Brisk

ALTHOUGH building permits made a slight gain in May over the preceding month, the amount of this gain was less than seasonal and lower than expected. Compared with a year ago, the May total was down over 63 per cent while on the basis of 1926 equals 100, the index number is only 10.9.

Following a very disappointing April, external trade figures show a greater than seasonal comeback in May, domestic exports having a dollar value greater than in May a year ago by over $5,000,000. Figures for newsprint production in May, released during the past week show a substantial gain over April and are only 2.4 per cent below the May, 1932, figure. This increase in newsprint production indicates increased advertising in United States dailies and, of course, increased revenue.

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Business Conditions in Canada

MAY AUTO SALES FAIL TO RECORD ANTICIPATED GAIN

Eastern Canada Sales Down 20 Per Cent from May, 1932

Registrations (sales) of new automobiles in the Eastern Provinces in May make an unexpectedly poor showing compared with a year ago after the many reports of increased production which have been prevalent in Canada, it is revealed by an analysis made by The Financial Post from statistics compiled by Might's Directories and published in Canadian Automotive Trade. Sales in May were about 20 per cent less than in May a year ago, a poorer showing than in April when the decrease from 1932 was approximately 17 per cent.

Total sales in the five eastern provinces numbered 5,319 compared with 6,618 in May, 1932, and 4,236 in April. Of the May, 1933, sales, the four leaders, Chevrolet, Ford, Dodge and Plymouth, are responsible for 3,750 cars, or just more than 70 per cent of the total.

Poor Weather Blamed

Generally unseasonable and backward weather during the month may be blamed for the poorer showing than April while it must be remembered that production for the export market, which was heavier than usual in May, is not reflected in these registration figures.

Compared with a year ago, Dodge, Oldsmobile and Frontenac are the only makes to show increased sales, Dodge sales being nearly three times the May, 1932, figure. Oldsmobile, though recording higher sales in May than in the same month of 1932, has fewer sales in the first five months of the year compared with the same period of 1932.

DeSoto, Studebaker and Rockne show the greatest percentage decline in sales compared with May a year ago while Buick, Willys and Essex are all considerably lower.

Five Months' Figures

For the five months of the year, to the end of May, sales in Eastern Canada total 14,974 compared with 18,172 a year ago, a decline of 17.6 per cent. Sales of only Dodge and Frontenac are higher than in the same period of 1932 although sales of Chevrolet, Ford, Plymouth, Pontiac and Oldsmobile are fairly well maintained. Sales for May and for the five months ended May for 1933 and 1932 are shown in following table for the leading makes.

Automobile Sales in Eastern Canada

(a) By Leading Makes

	May 1933	5 Mos. 1933	May 1932	5 Mos. 1932
Chevrolet	1,535	4,648	1,888	5,825
Ford	1,120	2,760	1,492	2,969
Dodge	557	1,538	191	624
Plymouth	518	1,245	645	1,371
Pontiac	336	1,139	339	1,165
Buick	231	751	351	1,268
Oldsmobile	175	342	118	398
Chrysler	171	453	201	593
Essex	149	381	107	496
Frontenac	102	322	48	159
Willys	74	273	131	391
De Soto	73	227	301	582
Studebaker	56	200	160	505
Rockne	53	199	145	279
Total (all makes)	5,319	14,974	6,618	18,172
(b) By Provinces				
Ontario	3,616	10,581	3,938	11,387
Quebec	1,108	3,134	1,661	4,378
New Brunswick	178	334	465	992
Nova Scotia	366	864	521	1,342
P Edward Island	51	61	33	73
	5,319	14,974	6,618	18,172

PREDICT INCREASE IN RETAIL PRICES OF TEXTILE GOODS

Necessity of Importing Raw Materials May Force Price Higher

Necessity of the textile trade of Canada to import a great majority of its raw materials will probably result in higher prices for many products, particularly finished products of cotton, wool and silk. Raw wool prices have shown an increase in Australian, New Zealand, and English pounds, also in Canadian and United States dollars. Silk has shown a decided increase in Japanese yen, Canadian and United States dollars and cotton has increased in Canadian and United States dollars.

These three raw products have definitely risen in the various currencies and there is a strong likelihood of them further showing increases, according to a survey of the Canadian textile industry appearing in Dry Goods and Stylewear Review, Toronto. On this basis of price level, it is considered impossible for Canadian concerns to continue to manufacture and deliver at the prices of the last two months.

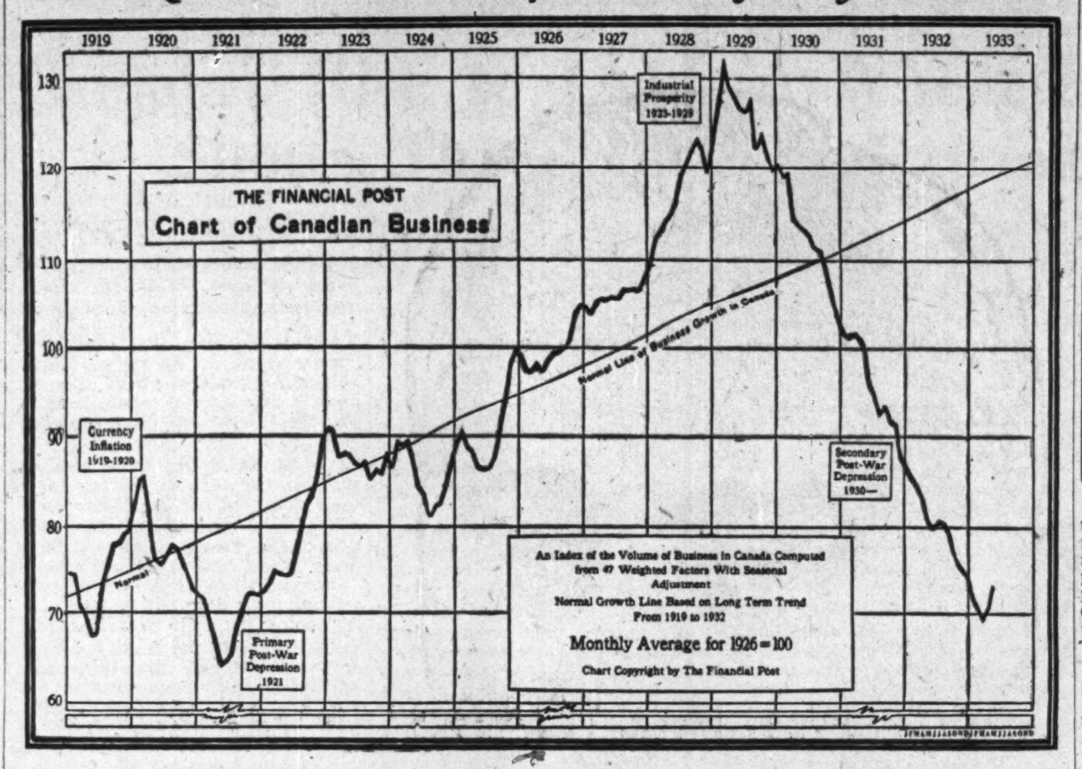
As yet, Canadian prices on finished textile products have shown little increase. Some Canadian mills, however, have withdrawn their price list and are planning to make a new list with approximately a 10 per cent increase within the next few weeks. As far as silk piece goods, silk hosiery, woollen knit goods, and fabrics are concerned, it is difficult to make any statement as to the exact date of probable increase but it is thought that these changes may come about within the next few days.

U. S. Prices Jump

Many lines of apparel have shown decided increases to the retailers in the United States. According to reports, certain hosiery and knit goods manufacturers have withdrawn price lists as many as three times during the last two months. It is doubtful if Canadian manufacturers will be able to make so many price changes as have been the case in the United States even should wholesale prices increase sharply, as the Canadian manufacturer, dealing with a comparatively small market, is forced to play at long range rather than change his prices too often.

According to a prominent Canadian textile manufacturer, it is extremely difficult to estimate with any degree of certainty the future of prices. This manufacturer says he considers that any advances which were being made at the present time, were likely to hold as he felt that cotton prices had been depressed unduly for a number of years.

First Quarter Losses Wiped Out by May Advance



The Financial Post business index, subject to revision upon the receipt of complete information, was 73.1 in May compared with 70.7 in April. While improvement was not general in all of the components, a majority showed gains and many of them recorded surprising advances.

Nickel and asbestos were outstanding among mineral production factors, while gold and zinc were reactionary. Inspected slaughterings indicated greater activity in meat packing plants and gains in exports of cheese and canned salmon were extraordinary. A gratifying gain was shown in the output of newsprint, and in the export of pulp and lumber. Steel production was greater than for three months while blast furnaces were inoperative. Motor car production showed a moderate gain. Construction operations were at a decidedly low level. Carloadings showed moderate improvement, and external trade made spectacular recovery.

General Advance Recorded By Major Index Factors

Financial Post Business Index Reflects May Industrial and Financial Recovery — Low Level of Construction Contracts is Chief Bearish Influence

By SYDNEY B. SMITH

Rapid return of economic confidence was strongly in evidence during May. It is seldom that the major factors portraying the trend of economic progress move upward with such unanimity as in the month under review. There is evidence that conditions in other important countries turned the corner about midsummer of 1932. The reversal of the trend on the North American continent was delayed about nine months behind developments in other parts of the world, but the rapid advance indicates that we are now making up for lost time.

Indices of industrial activity are now being compiled for Japan, Italy, Belgium, France, the United Kingdom and Germany, in addition to the United States and Canada. For the six countries located in Europe and the Far East the indices of industrial activity with one accord reached the low point of the depression about midyear of 1932, and these countries have consequently enjoyed nearly 12 months of increasing business operations. The low point in the United States and Canada was not reached until the first quarter of 1933 but the rebound in the last two months has been spectacular.

30 Factors Available

Thirty of the 47 factors used in the compilation of The Financial Post index being available at time of writing, the index was 73.1 in May compared with 70.7 in the preceding month. The gains in the last two months have practically counterbalanced the decline in the first quarter. Business activity after adjustment for seasonal tendencies has returned to the level of January with the marked difference that in January the trend was downward while at the present time resumption of operations is a widespread movement.

While the general trend of business operations is after all the safest criterion of changes in economic conditions, it is gratifying to find that business improvement was only one sector in the broad advance along a wide front. The optimism of the speculative community was almost unbounded, the index of Canadian common stocks reaching 63.7 in May compared with 51.9 in April. A gain of nearly 23 per cent in one month appears ample to discount a considerable improvement in industrial revenues. The gain in the index of wholesale prices was from 65.4 to 66.9, constituting the third consecutive gain. Sharp increases were recorded in textiles, supplementing the advance in farm products and non-ferrous metals which has been in progress for some months.

Bond Prices Advance

Government bonds advanced during May, the yield on Ontario bonds being 4.70 per cent compared with 4.85 in April. The average yield of four Dominion Government bonds was 4.51 per cent compared with 4.65 per cent. The advance in high grade bonds is regarded as a constructive factor implying the easing of credit conditions as indicated by the reduction in yields.

The financial background, as indicated by the developments in May, for the expansion of business operations is excellent. The only surprise, after the examination of collateral indices, is that the improvement in business operations was not even more general than was actually the case. The sharp gain in external trade was the most brilliant spot of the picture in May, but the gain in nickel shipments and the production of newsprint were also very significant. The meat-packing industry was active and carloadings showed an appreciable gain. The milling industry was less active in the latest month for which statistics are available and the construction industry was a profound disappointment.

Aside from gold and zinc, the indicators showing the trend of mineral production make interesting reading. The exports of nickel in different forms was 8,580,400 pounds compared with 2,746,000 in April. After adjustment for seasonal tendencies, the gain was no less than 67 per cent. Copper exports showed a considerable gain and lead production in the latest month for which statistics are available showed an increase. Zinc exports showed a decline.

Wheat flour was produced in lesser volume, while after seasonal adjustment, gains were recorded by oatmeal and corn flour. The manufacture of sugar was 41,167,000 pounds compared with 46,455,000, the decline after seasonal adjustment being considerable.

Slaughterings Improve

Sharp gains were shown in inspected slaughterings of live stock. Cattle and calves numbered 115,579 head compared with 97,112 and hogs were reported at 278,900 compared with 231,600. The index of live stock slaughterings was 127.2 compared with 109.0 in April.

Exports of cheese and canned salmon showed phenomenal gains, cheese exports were 1,540,300 pounds compared with 277,000 in April, while canned salmon exports were 4,082,000 pounds compared with 326,800.

The decline after seasonal adjustment in the manufacture of pneumatic tires was slight. The index of the output of boots and shoes was 86.9 compared with 84.5 in the preceding month.

The gain in the output of newsprint was a high light for the month, production being 171,776 tons compared with 147,759 in April. Operations were greater than in any month since May of last year. Gains in exports of lumber, shingles and woodpulp were greater than normal for the season, exports of planks and boards being 75,694,000 feet compared with 33,735,000 in April, the gain after seasonal adjustment being 46 per cent.

While the production of pig iron was not resumed in May, the output of steel advanced to 23,126 tons compared with 11,384. The production of motor cars was 9,396 units compared with 8,255 in April, the gain being moderately greater than seasonal. The placing of construction contracts fell greatly below expectations in May, which is normally the most active month of the year, the total was $6,514,000 compared with $8,608,000 in April. The index of the volume of new business expressed as a proportion of the monthly average for 1926 was only 15.1 per cent. While building permits at $2,002,000 showed a gain, the level of operations compared with the base year was decidedly low.

Carloadings at 161,401 compared with 138,475 in the preceding month, showed an adjusted gain of about 6 per cent, grain moving freely from country elevators to terminal points in preparation for the new crop.

The gain in external trade was in itself a harbinger of better times. Imports at $32,927,000 showed an adjusted gain of 24 per cent while exports at $46,109,000 showed a gain of no less than 41 per cent after adjustment for seasonal and price changes.

Construction Is Dull Spot Of Bright Week

The spectacular gain over April shown by the May external trade figures is the feature of the statistics released during the past week although the gain in carloadings which carried this weekly figure to the highest point in thirty-four weeks ranks a close second.

Only the continued low level of building permits issued mars the otherwise excellent week.

		Change— From Prev. Period %	Change— From Prev. Years %
Monthly	**May, 1933**		
Imports	$32,926,630	+ 60.9	—25.8
Exports	$45,576,337	+127.9	+12.5
Newsprint prod. tons	171,776	+ 16.2	— 2.4
Bldg. permits	$ 2,002,309	+ 29.0	—63.5
Weekly*	**June, 1933**		
Carloadings, No.	40,824	+ 5.0	— 5.9
Wheat price† c.	63.0	— 2.5	— 1.6

* Weeks ended June 10.

† No. 1 Man. Northern, Ft. William, Port Arthur base.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	Weekly Latest 1932	Cumulative Jan. 1 to date 1933	Cumulative Jan. 1 to date 1932
Transportation—				
Car loadings (June 10)	40,824	43,686	785,178	956,536
C. P. R. gross earn. (June 14)	$ 2,437,000	$ 2,306,000	$ 42,930,000	$ 49,857,000
C. N. R. gross earn. (June 14)	$ 2,889,439	$ 3,167,338	$ 55,235,866	$ 66,630,202
	Monthly			
C. P. R net earn. (Apr.)	$ 538,465	$ 918,483	$ 1,835,944	$ 2,935,898
C. P. R. net earn (Apr.)	$ ‡134,839	$ 782,977	$ ‡4,158,082	$ ‡546,674
Iron and Steel—				
Pig iron, tons (May)	nil	13,339	35,353	69,038
Steel, tons (May)	23,126	29,239	98,862	162,370
Automobiles prod., No. (May)	9,396	8,221	30,939	32,557
Auto Vehicles—				
Passenger, sales, No. (Apr.)	5,494	5,421	13,023	14,230
Trucks & buses, sales, No. (April)	593	1,073	1,388	2,661
Auto. exports, No (Apr.)	1,268	355	3,686	1,943
Construction—				
Building permits (May)	$ 2,002,309	$ 5,488,845	$ 6,570,341	$ 19,312,718
Contracts (May)	$ 6,514,100	$ 14,186,800	$ 24,826,100	$ 2,606,500
Newsprint—				
Production, tons (May)	171,776	175,890	722,762	842,880
Exports, tons (Apr.)	113,138	138,785	486,368	625,793
Sugar—				
Imports, raw, lbs. (Apr.)	9,739,900	35,447,400	92,067,100	169,680,300
Melt. & ship., lbs.*	46,463,194	64,566,796	185,859,911	207,548,836
Manufactured, lbs.*	41,167,462	58,761,252	190,704,556	200,078,899
Flour—				
Production, bbls (Apr.)	1,018,486	993,385	3,722,279	3,740,470
Wheat flour exp., bbls. (May)	565,080	461,867	2,020,155	1,801,355
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (May)	75.69	62.94	247.78	297.30
Boots and shoes, pr. (Apr.)	1,442,020	1,523,492	5,103,681	5,914,305
Petroleum, imp. crude, gal. (April)	36,187,424	38,565,064	58,164,621	227,511,589
Cotton, imp., raw, lbs. (April)	4,050,000	6,230,000	25,215,000	33,154,000
Ru[illegible], raw, imp. lbs. (Apr.)	1,243,621	3,584,609	9,033,478	17,151,892
Coal, imports, tons (Apr.)	431,799	542,398	1,871,185	2,392,249
Gasoline sales (Mar.)	26,416,000	26,913,000	76,805,000	79,140,000
Trade—				
Imports (May)	$ 32,926,530	$ 44,361,312	$ 134,189,694	$ 201,304,406
Exports (May)	$ 45,576,337	$ 40,476,404	$ 160,126,164	$ 181,951,221
Wheat exports, bus. (May)	21,464,848	15,543,013	66,369,905	52,347,645
Labor—				
Employment Index (Apr.)§	76.0	87.5	......	......
Electric Power—Output—				
M. Kilowatt hours (Apr.)	1,295,081	1,334,323	5,362,333	5,474,624
Finance—				
Failures, No. (Feb.)	214	221	427	459
Failures, Liabilities (Feb.)	$ 3,947,000	$ 3,650,728	$ 7,996,929	$ 7,711,376
Bank debits† (Apr.)	$ 1,876,753	$ 2,073,906	$ 7,563,229	$ 8,159,024
Bond sales (May)	$ 8,644,849	$ 25,675,320	$ 38,576,725	$ 140,906,040
Insurance sales (Apr.)	$ 29,779,090	$ 33,629,000	$ 115,223,000	$ 146,572,000
Automobile Financing:				
Used cars (Apr.)	$ 983,100	$ 1,412,269	$ 3,018,116	$ 3,990,629
New cars (Apr.)	$ 1,068,341	$ 1,587,293	$ 2,976,064	$ 4,008,145

*Four weeks period, Apr. 29 to May 20. †(000's omitted). ‡Deficit.

Commodity Prices

	Week ending June 17	Previous week	Same week last yr
Cattle (cwt.)	§$5.50	$5.50	$7.25
Copper, lb.	.08	.08	.05⅞
Cotton, lb.	.0905	.0935	.0520
Rubber, lb.	.0536	.0643	.0263
Sugar, raw, lb.	.0335	.0346	.0289
Silk, lb.	2.12½	2.35	1.22½
Wheat (Man.) bu.	.64¾	.64	.54
Hides, lb.	.12½	.12	.04¼
Coffee, lb.	.07¾	.07¾	.08¼
Weekly Indices			
N. Y. Annalist‡	93.5	92.9	87.3
Fishers'	♦63.5	62.7	†62.0
N. Y. Journal of Comm.	61.5	61.2	56.3
Crumps (Brit.)*	*63.2	62.7	†62.4

†Average 1932.
‡Week to June 13.
*Week to June 17.
♦June 17.
§June 15.

Monthly Indices

	Latest	Prev. month	Same month last year
Canada (D.B.S.) w'sale (May)	66.9	65.4	67.4
Retail (May)	77.6	78.6	81.8
U. S. Labor (Apr.)	60.4	60.2	65.5
Gt. Brit. (Apr.)	65.6	65.9	69.1

‡Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

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MORTGAGE CORPORATION

New Industries and Plant Extensions in Canada

Compiled Weekly
By The Financial Post

Muratori Bros., macaroni manufacturers, have purchased the old Penman plant in Thorold and will start manufacturing there soon. The company already operates a macaroni plant in Merritton. One of the brothers is at present in Italy arranging the purchase of machinery for the Thorold plant.

Provincial Wood Products Co., Ltd., has arranged to take over from the Maritime Lumber Co. the lease of the British Canadian Packing plant and begin the manufacture of wood products there as soon as machinery can be installed. C. F. Sanford, K.C., who is in charge of negotiations, stated that about 100 persons will be employed at the plant and perhaps another 200 in the woods.

Liberty Cherry Co. of Canada, Ltd., Toronto, packers of the "Liberty" brand of maraschino cherries, has leased a new plant in Toronto and will move operations there in the near future. The company is a subsidiary of Liberty Cherry & Fruit Co. of Covington, Kty., and established in Toronto in July, 1930.

H. R. Gerrie Tobacco Co., Ltd., recently incorporated under Dominion charter with a capitalization of $500,000, has leased a plant in Toronto with 21,000 square feet of floor space for the manufacture of cigarettes and fine-cut tobaccos. H. R. Gerrie, of Montreal, formerly associated with the Imperial Tobacco Co., is president of the new concern. It is stated that about 40 men will be employed at the outset.

Continental Car-Na-Var Corp., Ltd., Canadian subsidiary of Car-Na-Var Corp. of Brazil, Indiana, manufacturers of floor waxes and soaps, has leased space in Toronto and will produce its lines for both the domestic and export markets. W. S. Martin, who has represented the company in Canada for some time, will be in charge of operations.

Rochester Circulator Co., of Rochester, N.Y., manufacturers of electrical circulating pumps for hot-water heating systems, has completed an arrangement with W. Campbell, Toronto, whereby a Canadian subsidiary has been formed and will assemble the company's unit there. Parts will be manufactured by a number of Toronto manufacturers.

Toronto Macaroni Co., Toronto, which commenced operations about two years ago, plans an addition to its plant at a cost of $20,000.

J. J. McFadden Lumber Mill at Spragge, Ontario, will be re-opened in the near future if plans held by E. Smith mature.

Gatineau Mills Knitting Co., Hull, Quebec, manufacturers of lumbermen's socks and mitts, has been purchased by J. Howard Stannard, formerly general manager of the International Fibre Board Co. Mr. Stannard intends to incorporate the company immediately and expand operations.

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Then I changed my mind, as you'll change yours. They've put something into this Rockne that nobody's been offering except in costlier cars. They've given Rockne simply high price car construction. And that shows in its performance. And its upholstery and interior trim rival cars costing $200 more.

Why I actually wouldn't dare round a corner in any other low-priced car at the speed I use in my Rockne. And there's never a whimper or tremor from Rockne's rubber-floated 70-horsepower six-cylinder engine, no matter what you decide to make it do.

My family says Rockne has it all over the others for comfort and style. They say it doesn't tell our friends how we've slipped in income the way other low-priced cars might.

A man told me about Rockne just as I'm telling you. I wasn't even going to look at Rockne. What a chump I would have been if I hadn't! And how sorry you'll be a year from now if you don't go right over now and see what your Rockne dealer can do for you!

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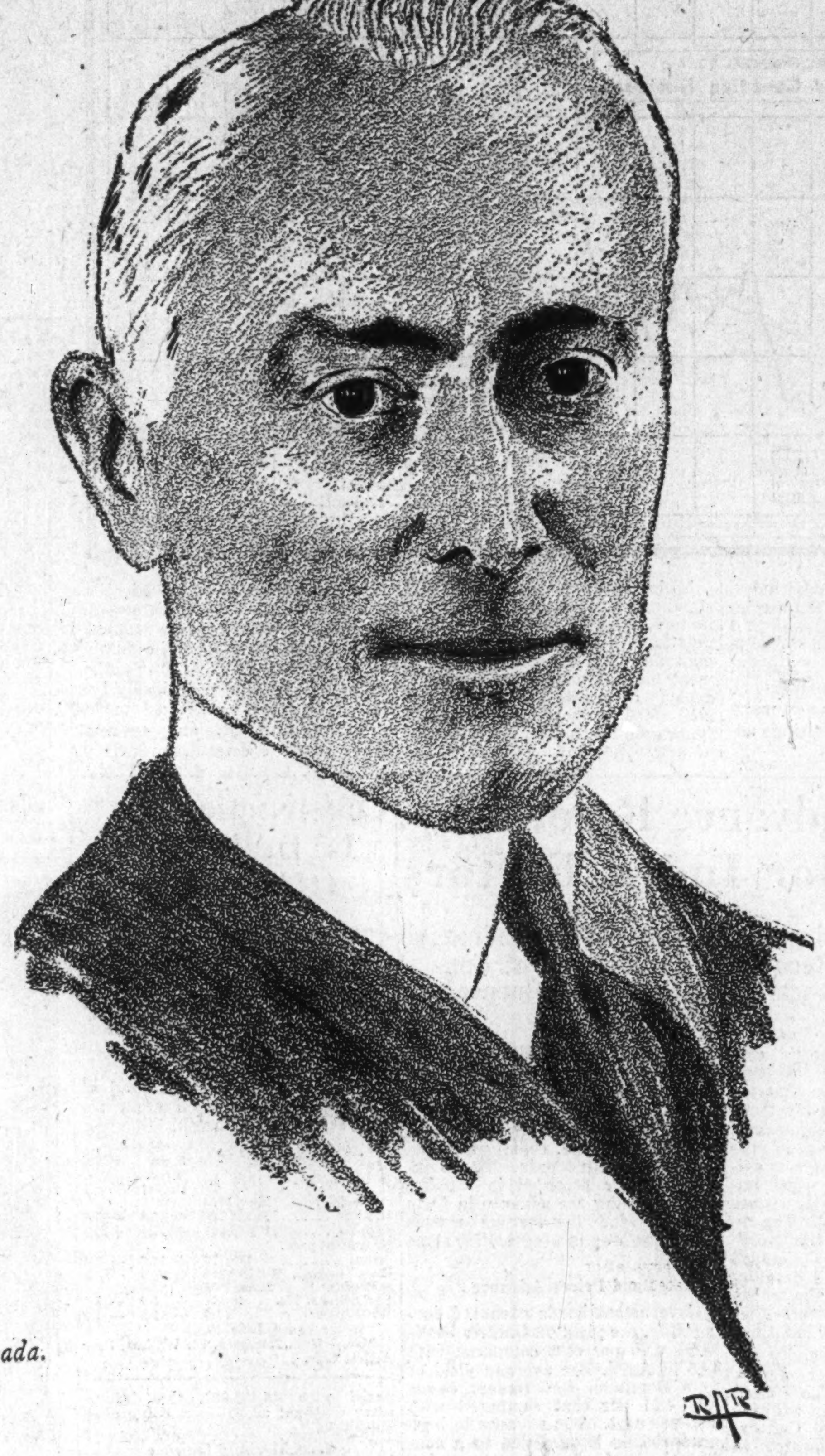

Ross H. McMaster,
President,
The Steel Company of Canada.

"May I take the opportunity of paying tribute to the forward policy which has guided The Financial Post, and the independent thought which has characterized its stand on so many matters. You have done much to mold public opinion along sound lines, and, though you have your critics, I do not think any have been able to question your sincerity or impute ulterior motives."

Number 5 of a series—"WHAT BUSINESS LEADERS SAY OF THE FINANCIAL POST"

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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Underwriters Association Celebrates Anniversary

Major Tariff Body in Fire Insurance Business Passes Fiftieth Milestone

This week the Canadian Fire Underwriters Association celebrates its fiftieth anniversary. The occasion is being marked by a jubilee gathering at Montreal which will be attended by the majority of present-day managers and many of the "old guard" who have passed from active participation in the fire insurance business.

Canadian Fire Underwriters Association was founded in June, 1883, as a voluntary and unincorporated body comprising a membership of 29 companies. First president was G. F. G. Smith, Montreal manager of the Liverpool & London & Globe. It is significant that this honor was offered to manager Tatley of the Royal Insurance but the Royal questioned the advantage of belonging to a tariff association at that time. The company was proud of its underwriting knowledge, its aggressiveness and the high character of its organization and did not feel the need or wisdom of linking up with this type of association.

Other officers of the body at its inception were J. J. Kenny, of the Western Assurance (elected vice-president) and Robert McLean, first secretary of the new body and the one to whom much credit is given for the successful organization and operation of the new body. He was the grandfather of E. L. McLean, prominent Toronto insurance broker.

Outgrowth of Toronto Body

The new body was a direct outgrowth of the Toronto Board of Fire Underwriters formed in 1871. For 22 years after the formation of the C. F. U. A. the Toronto organization operated within the larger body, finally amalgamating into one unit in 1905. The C. F. U. A. from its inception embraced companies in both Ontario and Quebec—a jurisdiction it has maintained throughout the entire 50 years of its existence.

At the beginning the new body had no mercantile or special rating schedule. The minimum tariff covered almost everything except a few special hazards. This condition lasted for almost 20 years until in 1900, president Moore of the Continental Insurance Co. issued his book on a mercantile rating. To this unique and important work is attributed the impetus to the idea of specific and schedule rating now generally in vogue in this country.

The ideas for better methods of rating were taken up rather more enthusiastically in Toronto than in Montreal and to J. B. Laidlaw, of the Norwich Union, manager Sims, of the Mercantile, and later the officials of the British America Co., goes the credit for leadership in this valuable reform movement. Somewhat later manufacturing risks were taken hold of, and rating schedules were issued on this basis. It is interesting that in these early days there was no "stamping" office to approve policies and rates, the Ontario section being the first to introduce this important innovation at Toronto.

Rating Basis Little Changed

In his reminiscences given last year before the Toronto Insurance Institute, John A. Robertson, veteran secretary-manager of the board until recent years, remarked that the rating basis adopted in these early years has not been materially changed even today. "I would not have it understood that because the rating schedules were not changed they were considered perfect," he said. "That is not the case and considerable changes will probably sometime be carried out."

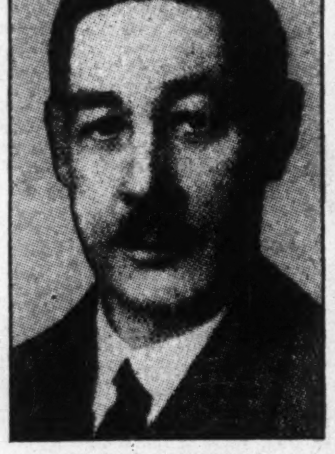
Classification of risks bore faint resemblance to what is known today. Many companies had no classification at all. Those who did, as a general rule, adopted the Griswold system which divided business into 80 classes. "It was probably quite as satisfactory as the more elaborate systems of today," said Mr. Robertson. There was no reference in the early classification of leading companies, to farm business, notes Mr. Robertson.

Many Changes This Century

Early days of the present century were full of activity for the C. F. U. A. Rules and regulations had been continued with but slight change for nearly 20 years but change was in the air. The board for instance had no sprinkler inspection bureau and tariff companies were losing business to non-board firms on this account. The first tariff companies to install an inspection bureau of their own were the Western and the Norwich Union. Others joined later. In 1907 the C. F. U. A. established its own bureau as a department of the association.

Progress from a membership viewpoint was slow. Original membership of the board in 1883 was 29 and by 1905 this had risen to but 30. By 1916 the figure was 75.

Heads C. F. U. A.



W. R. HOUGHTON

This week elected president of the Canadian Fire Underwriters' Association for 1933-34. Mr. Houghton is manager for Canada of the London & Lancashire Insurance Co.

Today there are some 180 member companies who last year transacted almost 78 per cent of the total business written by federally-licensed companies.

Most significant event in the life history of the association was the famous Masten investigation of 1916-18 which delved into the ramifications of the fire insurance business with particular reference to the influence and position of the tariff association in the business. Important recommendations were made for the improvement of the business but by and large the C. F. U. A. came through with flying colors. The following oft-repeated paragraphs of the learned judge (Justice Masten) have since become the very creed of the association. He said in part:

> "One of the strongest points in favor of an insurance combination, such as the Canadian Fire Underwriters Association, is the fact that its method of conducting business is not only economical and efficient, but incidentally brings about an improvement of conditions that directly benefits the public. The inspection of properties and schedule rating, by which defects are brought to the attention of property owners, tends, in the long run, to effect a considerable betterment of the physical conditions which are largely responsible for the extent of our losses by fire.
>
> "No individual company could maintain a staff of experts competent to give this service without tremendously increasing the cost of insurance to the public. It is equally plain that no single company would be in a position to bring about the improvements that can be effected by many of the companies acting in co-operation with one another.
>
> "On the grounds which I have here set forth I am of the opinion that the operations of the Canadian Fire Underwriters' Association have been and are to the advantage and in the interests of the public and that such a combination tends strongly to maintain the solvency of the companies, to stabilize rates, to eliminate discrimination and to assist in controlling the expenses of carrying on the business."

The publication of the report gave the association a new lease of life and according to Mr. Robertson, proved almost a dividing line between an old and a new day.

Adverse business conditions and an increasingly bitter competitive condition in the business have proved a further severe test of the C. F. U. A. and its work in the past few years. Membership has been maintained, however, and its two main objects, namely, the regulation and equalization of rates according to the different classes of property insured, and the reduction of the expense of conducting the business, have been upheld.

TRUST AND LOAN SET UP RESERVE COVER ARREARS

Mortgage Situation Reflected in Company's Balance Sheet

From Our Own Correspondent

MONTREAL.—Trust and Loan Co. of Canada report a revenue for the year ended March 31, 1933, of £280,806, to which was added £20,282 interest in Canada previously carried to reserve and now taken credit for in the revenue account. After taking into consideration the previous balance, the revenue account amounted to £316,980.

From this sum was deducted £144,656 transferred to reserve to provide for unpaid interest. After providing for current expenses, losses on operating land investments, debenture interest and taxation, and after transferring £20,000 from contingencies account, there remained a balance of £21,213 to the credit of revenue account.

Out of this balance the directors declared a dividend of one per cent, free of British income tax, on the paid-up capital, leaving £7,713 to be carried forward.

In certifying the balance sheet the auditors point out that it does not appear possible under present conditions to form an opinion on the value of the company's land investments and of the mortgages and overdue interest. As at the end of March last the company had assets of £4,224,252, which compares with £4,414,828 at the close of the previous year. Capital issued remains unchanged, while debentures subscribed have dropped in value from £1,713,338 to £1,699,093. Debenture stock issued remains much the same at £745,936. The statutory reserve funds shows a minor decrease at £143,214.

Over $13,600,000 Invested

Among assets, cash on hand and money on call are slightly higher. Capital invested in Canadian mortgages totals $13,640,353 compared with $14,380,207 a year ago.

Land investments, representing properties bought in and held under foreclosure, less reserves, have increased from $2,445,342 to $2,570,358. Overdue interest has increased from $1,118,677 to $1,608,113, against which the company has set up reserves.

Other changes among assets and liabilities are relatively unimportant.

Canada's Rise to Lead in Wheat Exports Shows Three Distinct Expansion Periods

Railway Construction, Immigration and Great War, Were the Three Factors Which Increased Acreage

An Historical Survey by The Dominion Bureau of Statistics

CANADA'S place as chief wheat exporter of the world, so closely bound up with the economic development of the prairie provinces, has been slowly but surely established during the past half-century. Prior to 1890 the wheat production of the prairies formed only a small proportion of the total Canadian crop. In that year, 17,884,629 bushels were grown on 1,010,430 acres in the prairies, constituting over one-third of the total Canadian production and acreage. In 1900, the prairie provinces had over one-half of Canada's wheat area, seeding almost 2,500,000 acres.

It was in the next two decades however, that the real establishment of western wheat farming was witnessed. The first impetus to the movement came with the expansion of the British and European markets and later the temporary exit of Russia and the decline of the United States in international wheat trade gave Canada the place of chief exporter.

Three Periods

Briefly, then, the development of western Canada may be divided into three periods. The first of these began with the building of the Canadian Pacific Railway, about 1882 to 1885, the second with railway expansion and immigration influx about 1903; and the third in 1924, at the conclusion of the economic depression and unfavorable weather conditions following the Great War.

Wheat was first grown in Manitoba 120 years ago by the Selkirk settlers. The troubles of the early colonists were almost insuperable and agricultural progress was very slow. Settlement followed the waterways and when the census of 1870 was taken, it showed that the canoe still rivalled the cart as a means of covering the distance between farm and settlement. Three main waterways and two wagon trails were used in communication with the outside world. The first recorded shipment of wheat is supposed to have been made in 1876. In 1878 the St. Paul Railway entered Winnipeg and from then on, wheat production played a large part in the economic history of the West. The census of 1880 revealed an area of 56,971 acres and a production of 1,153,328 bushels in the previous year.

Railway Construction

On September 14, 1880, the contracts were signed for the construction of the Canadian Pacific Railway. It started across the southern plains in 1882-3, was hindered by financial difficulties and the Riel Rebellion, but completed in 1885. It tapped the southern short-grass plains, where wheat presented the path of least resistance on the way to quick prosperity. Settlement in this period came mainly from eastern Canada and Great Britain and spread westward from the Red River Valley of Manitoba into Saskatchewan and along the fertile banks of the Souris, Qu'Appelle and Assiniboine Rivers. The development of this period was not as great nor as prolonged as that which began early in the present century. The United States was filling up cheap western lands at the time and provided a great counter attraction for the Dominion Government had not yet launched its land survey policy nor the encouragement of immigration which became so characteristic of later years. The Hudson Bay Company was making a last effort to retain the Canadian West for the fur trade. About the year 1895, the first period of western development came to an end.

The second period of rapid development is well shown by the immigration statistics particularly in the years 1903 to 1914. As the pioneer followed the water courses in settlement so the farmer followed (or in some cases, anticipated) the railways. The main line of the Canadian Pacific and its few branch lines adequately served the settled southern portion until the great rush of new settlement began in 1903. Settlement extended mainly into the park-lands of Saskatchewan and Alberta, although Manitoba continued to fill up rapidly during the first decade of this century. Colonization, railway construction and wheat acreage were inseparably related during this period of expansion which preceded the War.

Growth in War Years

Although the outbreak of the World War brought an end to the rapid development in settlement and transportation of the previous decade, the period of the War was one of continued growth. Immigration continued from the neutral countries which more than offset the emigration to the battlefields of Europe. In spite of the farm labor shortage, only partly alleviated by urban volunteers and "soldiers of the soil," the patriotic appeal for increased wheat acreage met with ready response. Food was needed in a quickly available form and the wheat crop offered the best means of securing it.

The first wheat crop seeded after the declaration of war covered over 3½ million acres more than that of 1914, and the crop of 1918 was 5 1/3 million acres more, an increase of over 50 per cent. This was mainly accomplished by breaking new land and by some trespassing upon the coarse grain acreage. In the early years of the war, the wheat farmer was assisted by the weather, and when the years of low rainfall began in 1918, rising prices more than offset the lowering yields. When government price control was lifted in 1918, the Canada Wheat Board was authorized by the government to control the movement and sale of Canadian wheat for another year. The Grain Exchange began to operate fully again in 1920.

During this period, new agricultural development was most evident in the northern sections of the prairie provinces. The opening of the Peace River and Grande Prairie districts in northwestern Alberta was accomplished by the Edmonton, Dunvegan, and British Columbia (now the Northern Alberta) Railway in 1915. At the end of 1910, there were only 46 householders in this region, but with the coming of the railway, settlement was very rapid, and continued into the post-war period. In 1919, about ten thousand people moved into this area, and by 1926, the population of this somewhat isolated district had grown to 42,784. Since the estimated arable land of the Peace River Valley amounts to about 15 million acres, there is room for much more development.

Post-War Period

The outstanding economic developments of the period since 1918 may similarly be centred around land settlement, railway construction and wheat production, although the growing importance of Canadian wheat in world markets has introduced the multiple changing factors of the international situation. The Soldiers' Settlement Board and the Canada Colonization Association did much to encourage the resumption of immigration, especially in 1920 and 1921. The opening of the western route for grain export attracted many new Alberta acres into wheat production and, withdrawing pressure from the Great Lakes route, lessened the usual autumn rush to the eastern seaboard.

The wheat acreage continued to expand until 1921, but declined and remained at lower levels until 1928, when a new development, not easily explained, added over three million acres to the prairie total and created a record figure in 1932. The years 1918-1921 offered little in the way of encouraging weather to the wheat farmer, but while the prices remained high, this factor compensated for the low physical yield. When wheat prices fell in 1920 and 1921, many of the marginal lands returned to their pre-war purposes.

In the following years and up to 1928, the position of the western wheat-grower was improved by larger yield and better prices. In common with other endeavors and with other countries, the Canadian wheat-grower suffered from the unfavorable conditions of late 1929 and 1930. The crop of 1929 was reduced by bad weather and was sold on a declining market, while the crop of average size harvested in 1930 commanded still lower prices. Despite these reverses, the acreage expanded appreciably in 1931, and although the harvest of that year was again meagre, the acreage rose to the record level of 27,182,000 acres in 1932.

Wheat and Competing Products

The World War and the subsequently unsettled condition of Europe provided compelling factors for the expansion of wheat-growing in western Canada. The accompanying chart pictures the purchasing power of standard grades of the main agricultural products in the period since the outbreak of the War. Throughout the eight years preceding the post-war depression, wheat held a high place among farm products. It regained this position in the years 1924-1929, but being more dependent on international conditions, slumped more quickly at the beginning of the present depression and has held a low place measured by purchasing power in the years 1930, 1931 and 1932.

The recent low prices and purchasing power of wheat have not caused reduction of acreage for two main reasons. Firstly, the western farmer quickly adjusted his expenses to lowered prices. Tractors and expensive machinery were laid aside and horses used to an increasing extent. Family labor was employed to the practical exclusion of hired help, and many other economies practised. Restrictions on foreclosure were an aid to these forces. In some areas, acreage was increased in an effort to increase total yield and income. Secondly, the farmers have had an assured and liquid market for wheat and could always obtain cash for the amount sold.

Population Comparisons

In the following table data are presented to show the relation of wheat acreage, population and land utilization in western Canada in the censal periods, 1901 to 1931. In this time, western Canada has been developing very rapidly in many ways. Thus the quotation of absolute figures of increase in wheat acreage means very little unless properly related to the increase in such factors as population and utilization of land.

Relation of Wheat Acreage, Population, and Land Utilization in Western Canada at the Seven Censal Periods, 1901-1931

Year	Wheat Acreage	Population	Acreage Occupied Land	Acreage Improved Land
1901	2,495,000	420,000	15,412,000	5,593,000
1906	5,062,000	808,000	....	....
1911	10,236,000	1,328,000	57,642,000	22,970,000
1916	14,326,000	1,698,000	73,300,000	34,330,000
1921	22,181,000	1,956,000	87,932,000	44,863,000
1926	21,805,000	2,067,000	89,930,000	49,265,000
1931	26,201,000	2,354,000	109,783,000	....

Year	Acreage Field Crops	Wheat Acreage per capita	Wheat Acreage per 1,000 acres Occupied Land	Wheat Acreage per 1,000 acres Improved Land	Wheat Acreage per 1,000 acres Field Crops
1901	3,600,000	5.9	162	446	693
1906	8,408,000	6.3	...	...	602
1911	17,677,000	7.7	177	446	579
1916	24,596,000	8.3	195	417	582
1921	32,203,000	11.3	252	495	689
1926	34,987,000	10.5	245	443	623
1931	39,806,000	11.1	239	...	658

These data show that the increase in wheat acreage is not so pronounced when expressed as relatives of other factors in economic growth. Wheat acreage per capita has increased only 88 per cent since 1901 although wheat acreage itself has increased almost 950 per cent.

Land Utilization

Relating wheat acreage to land utilization and comparing 1901 and 1931, it may be seen that although there are 77 more acres of wheat occupied land, there are 35 fewer acres of wheat in the average thousand acres under field crops. Unfortunately, the census figure for improved land in 1931 is not yet available, but the trend in wheat acreages per 1,000 acres of improved land up to 1926 was fairly constant, inclining slightly downward.

Thus, there is statistical evidence to support the claim that there is an increasing tendency to sow new land to wheat and a decreasing tendency to use older (improved) land for this crop. The older lands are being sown slightly more to other crops and there is an increase in the summer-fallowing practice. This tendency toward diversification is greatest in the first settled land of Manitoba—the percentage which wheat forms of the main field crop areas having declined from 66 in 1906 to 48 in 1931. In Saskatchewan, the wheat percentage has also decreased slightly, but in the newly-opened lands of Alberta, the wheat percentage has shown a largely compensating increase.

Considering the three provinces, the amount of fallowed land is increasing faster than wheat acreage. Since 1918, the fallowed acreage has slightly more than doubled while wheat acreage has increased only 65 per cent.

It is evident, then, that (1) there is a slightly reduced percentage of land in wheat compared with other field crops and (2) there is an evident increasing tendency to fallow the older land. With the development of the country, wheat acreage is becoming relatively less important and diversification is gaining.

Wheat has held the major place in agriculture throughout the short history of the West. Generally speaking, it still holds this place today, although using a diminished proportion of the land. Prairie wheat-growing offers a fine example of specialization by an area and by a people. This specialization has been encouraged not only by primarily economic forces but by advances in the technique of production and in the handling and marketing processes. It was not enough that the crop was naturally adapted to the climate and soil and that there were large expanses of cheap, fertile and cleared land. Transportation and handling facilities were developed as a prime encouragement.

New settlement brought more pioneer farmers with small capital and with a desire to initiate profitable production quickly; wheat was their usual recourse. Credit being relatively limited and expensive, the established farmers continued seeding wheat since its production was readily financed. New machinery, new cultural methods and new varieties gave further encouragement and led to further success. A not inconsiderable factor was the glamour of wheat. Prices received were relatively better than for other products. Land values remained low and farmers were not forced into more intensive farming as they have been in other areas which similarly embarked in wheat production. Even during the depth of the passing depression, wheat commanded a ready market and farmers could seed it with assurance of disposal for cash These are the main factors which bear a causal relation to the expansion of wheat acreage.

Newfoundland Notes

First Shipment of fresh frozen salmon for Canada and the United States for the season was recently made from Newfoundland. A total of approximately 40,000 pounds was shipped from the east coast by the Newfoundland Railway.

Codfish demand in the Oporto market at the present time is practically nil. The market is overstocked with fish and prices are low. The Spanish and Italian markets are considered favorable and the same can be said of Brazil. From latest advices from Porto Rico, heavy stocks on hand caused a drop in prices which were quoted as follows: Large codfish $22 to $23 per cask; small and medium $15 to $20 per cask.

Revitalization of the codfish industry is expected from the results of the Salt Codfish Act at present before the legislature. Recommendations dealing with the classing, grading, and culling of fish as between buyer and seller, the determination of the different types and grades of fish for foreign markets, and the inspection, culling, selecting, sorting and control of fish for export are included in the bill.

Ayre & Sons Limited, general merchants of St. John's and other points in Newfoundland recently celebrated the hundredth anniversary of the landing of its founder in St. John's. Charles R. Ayre arrived in St. John's on May 24, 1833, from Exeter, England, and following a few years in business by himself went into partnership with Alexander Marshall under the firm name of Ayre and Marshall.

Day by Day Highlights Of London World Parley

Official and Unofficial Reports Summarized for Benefit of Post Readers

Official and unofficial reports of events at the London Monetary and Economic Conference are given below in a daily summary form.

* * *

JUNE 12—Conference opened by King George V in address of welcome. Ramsay MacDonald, president of the conference, urged action, stated "this cannot go on." Said war debts are one of the major obstacles to world recovery which must be "taken up without delay."

Secret negotiations of bankers, economists to stabilize pound, franc, dollar, carried on without result.

Working bureau named, consisting of delegates of principal countries. Chairmanships of two chief commissions, monetary and economic, in dispute. France, as main gold nation, sought monetary presidency and, therefore, didn't name candidate to head economic and trade commission. United States also sought monetary presidency.

* * *

JUNE 13—Debts ghost overhung conference as Britain submitted offer to United States.

Cordell Hull, U.S. Secretary of State, failed to deliver scheduled conference address.

United States advances James M. Cox for presidency of monetary commission. French want Georges Bonnet, their minister of finance. Hendrik Coliju, prime minister of Holland, also suggested.

Brief summaries of the 15 minute addresses delivered by leading world delegates follow:

Premier Daladier, France, urged currency stabilization and recommencement of free gold movements. suggested adjustment of agricultural production to consumption; international 40 hour week; public works to mobilize idle capital.

Guido Jung, Italy, mentioned war debts as "the preliminary problem," criticized forced injection of credit to expand production; stressed need for renewal of international lending, and said Italy had co-ordinated her production and consumption on a national scale.

Jan Christian Smuts, South Africa, scolded the United States for failing to fall in line with Lausanne reparations agreement by adjusting war debts. He generalized on the dangerous position of civilization and urged the conference to act promptly without regard to national or sectional viewpoints.

Viscount Ishii, Japan, hoped for efficacious lowering of tariffs; approved cheap money policies; was interested in solution of the silver problem, and appeared to oppose regional tariff reductions.

Pedro Cosio, Uruguay, said Ottawa agreements paved the way for tariff reductions in other countries; approved British policy of raising prices, stabilizing currencies, and reducing tariffs.

Sir Atul Chaterjee, India, emphasized urgency of quick action; presented resolution of International Labor Conference asking: cessation of tariff warfare, stabilizing of prices; starting public works, and international lending.

Baron von Neurath, Germany, stressed need for paying debts in goods and services; pleaded for understanding of Germany's efforts to put its house in order; ignored the Smuts appeal, saying that above the economic problems were great political tasks upon which conference success was largely dependent.

Orestes Ferrara, Cuba, got down to cases. He presented draft convention for tariff limitation to fix maximum rates for specific commodities. It would take into consideration wages. hours of labor, and other costs, and would recognize differences which might occur between neighboring states and between agricultural and industrial states. Cuba is particularly interested in duties on tobacco and sugar which vary from 150 to 700 per cent. Ferrara suggested that modification of tariffs take place gradually over a five year period; nations to have right to rescind after one year; only 40 per cent of world's trade need be involved to effect convention.

Alexander Malinoff, Bulgaria, said national income of his country was one of the lowest in the world, and without a return to free movements of goods and services it would be impossible for such countries to meet their obligations to foreigners.

Adam Koc, Poland, said his country had maintained stability by cutting expenses and adhering to gold, although hampered by tariff barriers. Thought currency stabilization of first importance; urged abolition of exchange restrictions, readjustment of farmers' debts, and bilateral tariff agreements.

* * *

JUNE 14—Proceedings dominated by news that Washington had accepted British offer to pay $10,000,000 in silver on debt installment of $75,950,000, due June 15. Roosevelt tariff truce extended to include total of 19 nations.

Possibility of currency stabilization foreseen in private discussions of British, American and French authorities.

Summary of address delivered, follows:

Neville Chamberlain, Great Britain, told conference prices must be raised; tariffs lowered; unfair state subsidies ended; currencies stabilized; central banks must co-operate; exchange restrictions and customs quotas must go; war debts must be eliminated (although not on conference agenda), and production and marketing co-ordinated. He suggested means to accomplish these (see June 16).

Cordell Hull, United States, generalized on everything but tariffs. Said mutual agreement must bring cessation of high tariffs, quota restrictions, etc. Asked that economic nationalism be discredited, and promised definite suggestions later. He tabled a motion that the conference be limited to six or eight weeks.

Maxim Litvinoff, Russia, jibed at capitalist states for getting themselves in trouble; suggested tariff stabilization and unprejudiced equality of treatment; supported an economic truce; said Russia might buy $1,000,000,000 of goods abroad, if credits were forthcoming.

Engelbert Dolfus, Austria, accepted tariff truce, and emphasized difficulties of debtor nations, suggesting international organization to negotiate on commercial debts. Urged cooperation of central banks to stabilize currencies.

Foreign Minister Hymans, Belgium, urged imitation of treaty with Netherlands in which tariff reductions were made. He looked to great nations to solve currency problem.

Eduard Benes, Czecho-Slovakia, spoke for Czecho-Slovakia, Roumania and Jugo-Slavia. Stressed importance of new debt regulation without which many countries could not get on their feet financially. Suggested preferential tariffs between Balkan and central European states despite most favored nation treaties. Advocated regulation of prices and production of agricultural products.

Finance minister Imredy, Hungary; Henryk Colijn, Holland and Thomas Le Breton, Argentina, also spoke.

* * *

JUNE 15—James M. Cox, United States, appointed president of monetary commission; Georges Bennet, France, reporter-secretary; Guido Jung, Italy, and Victor Kienbock, Austria, vice-presidents.

Rumors that stabilization of sterling, at $4 or slightly higher, had been agreed upon denied by United States.

Hendrik Colijn, Holland, appointed president of economic and trade commission; Karl Krogman, Germany and Thomas Le Breton, Argentina, vice-presidents; reporter to be named.

Summaries of addresses delivered follow.

R. B. Bennett, Canada, urged two greatest creditor countries to stabilize currencies. Canada would follow lead. Urged: higher prices through credit expansion; new public works, and international lending. Agreed with Chamberlain viewpoint on tariffs, but said nations would continue use of tariffs as necessary national policy and to prevent unfair competition. Suggested wheat importing countries consider increasing imports as producers consider reducing crops, to remove surplus grain.

G. W. Forbes, New Zealand, said debtor countries might have to scale down debts even though prices were raised.

Joseph Connelly, Irish Free State; T. V. Soong, China; Tewfik Rusdi Bey, Turkey; Alberto J. Pani, Mexico; Caeiro da Matta, Portugal; Delegate Salnais, Latvia; Dr. Kallas, Esthonia; Delegate Ascalante, Venezuela; M. Mayard, Haiti; Fuad Aslani, Albania; Delegate Urena, Dominican Republic, also made addresses.

* * *

JUNE 16—Monetary commission of conference accepts Chamberlain's British currency plan as basis for discussion. (Moved by Sweden.) Plan is: Restoration of international standard, preferably gold; elimination of wide price fluctuations under standard. Plan suggests gold be withdrawn from internal circulation; reduction of required central bank gold reserves; co-operation of central banks.

Monetary commission set up two sub-committees, one on temporary and one on permanent monetary reconstruction. Members to be named. Rejected suggestion for a sub-committee on silver. Secret sessions of two sub-committees to start June 19.

Informal consideration of franc, pound, dollar stabilization by bankers and financial experts continue at Bank of England. Tentative stabilization said to be matter of American assent.

Tariff truce extended to include 41 nations, doing 80 per cent of world's trade. Economic and trade commission set up organization to work toward stimulating trade.

* * *

JUNE 17—Official sessions adjourned. Indicated that some form of currency control of franc, dollar, sterling may be tried soon. Governor George Harrison of Federal Reserve Bank of N.Y., departed for New York after week's conferences with governors of Bank of England and Bank of France.

* * *

JUNE 19—Albert Sarraut, France, at session of economic commission, advocated international agreements to bring production of basic commodities into line with consumption. Poland suggested inclusion of all agricultural and animal products. Walter Runciman, Britain, sympathetic on French proposal. Sir Philip Cunliffe-Lister, Britain, said plan would have to include substitutes and consider consumers.

Trade truce extended to include 49 nations handling 85 per cent of world's trade.

Belgian delegates suggested trial of tariff truce, until stability achieved, before cleaning up situation. Advocated reduction of excessive tariffs.

Guido Jung, Italy, named chairman of sub-committee on temporary currency standard.

Hendrik Colijn, Holland, chairman sub-committee on permanent currency standard.

Deadlock reported on exchange stabilization negotiations of fiscal experts.

Key Pittman, U. S. A., advocated to sub-committee on permanent currency standard reduction from 40 to 25 per cent of metal cover for currencies, and optional use of silver up to one-fifth of total reserve. George Bonnet, France, opposed currency depreciation.

Dr. L. J. A. Trip, Holland, said League of Nations experts found gold only possible monetary standard. Jean Parmenier, France, favored gold.

Neville Chamberlain, Britain, proposed each nation should draw up opinions on agenda topics for consideration by currency standard sub-committees.

* * *

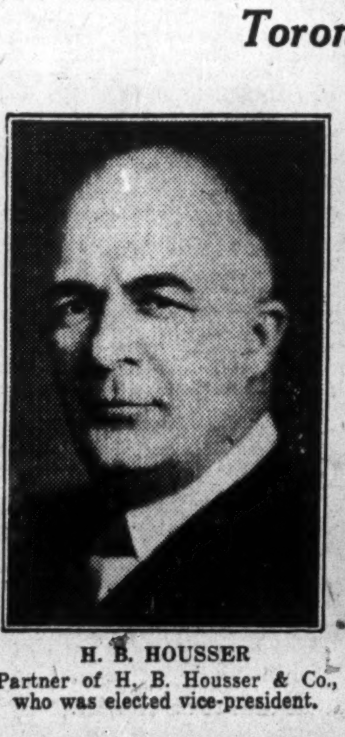
JUNE 20—Economic commission continued discussion of control of production. Australia said ready to co-operate with U.S.A., Canada, Argentina to restrict wheat production, but only on temporary basis. Albert Sarraut, France, indicated opposition to plan for importing countries to take more wheat. Hon. E. N. Rhodes, Canada, said importers as well as producers must co-operate and concede. Ernst Laur, Switzerland, Jose da Matta, Portugal, presented plans to reduce wheat surplus by co-operation of exporters and importers. Adam Rose, Poland, agreed with Rhodes, as did Belgium.

Sub-committee on temporary currency standard heard Neville Chamberlain urge monetary action to raise wholesale prices. Deflationary action would hamper recovery. Central banks should openly pursue cheap, abundant money programmes. Support of plan thought probable.

Sub-committee on permanent currency standard expressed wide approval of Pittman plan to reduce central bank reserves and use silver in restoring monetary standard. Accepted amendment by Viscount Hailsham, Britain, leaving time and parity at which individual nations will return to standard in hands of each government. French hesitant to accept some parts of Pittman plan.

Stabilization of dollar undetermined. Gold countries reported alarmed at further fall of dollar.

Toronto Stock Exchange Elects New Officers

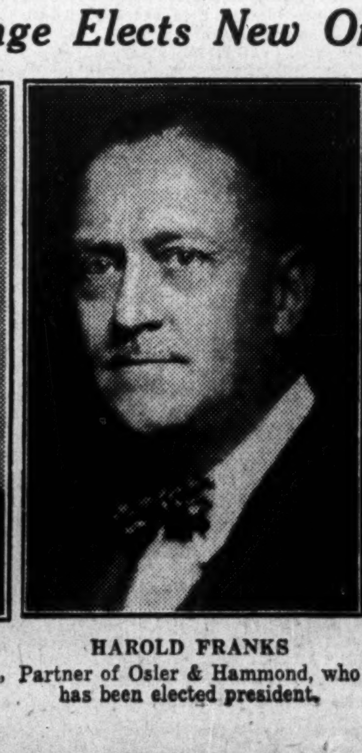


H. B. HOUSSER

Partner of H. B. Housser & Co., who was elected vice-president.

D. F. McMILLAN

Partner of McMillan, Guest & Co., who was elected treasurer.



HAROLD FRANKS

Partner of Osler & Hammond, who has been elected president.

F. G. LAWSON

Partner of Moss, Lawson & Co., who was elected secretary.

Insurance for Buyer and Seller

PROTECTED HOMES FAIL TO BENEFIT IN REDUCED RATES

Many Difficulties Prevent Lower Fire Premium Rating

No system has yet been evolved whereby the careful house owner can benefit from the precaution of installing fire extinguishing equipment in the reduction of his fire insurance premium. The matter has been discussed from time to time by the fire insurance companies and by the Tariff Association, but difficulties have always been considered insurmountable.

Chief difficulty which stands in the way of some lower rating for homes where fire extinguishing equipment has been installed is that such a rate would require individual and periodical inspection by company representatives and this would be too costly to warrant a reduced premiums. The Financial Post was told by insurance officials interviewed. As it is, most homes accepted for fire insurance are written on the recommendation of the agent and, therefore, entail no inspection expense on the part of the company.

No Equipment Standard

Lack of a standard of fire protection equipment such as is used in homes was also cited as a drawback to any rating system being established. The efficiency of fire protection equipment varies considerably and installation of automatic equipment is extremely rare.

Many owners of summer cottages who have purchased apparatus for protection against fire feel that they should be allowed lower rates than similar properties which have no fire protection, particularly as this equipment is often useful in avoiding large losses. Fire insurance companies which write a good deal of business on summer cottages feel, however, that they have to write a fair proportion on properties which have adequate means of blanking small fire outbreaks in order to balance the many cottages on which insurance is written where there is no such protection.

Inspection Impossible

In the case of summer cottages, it is considered impossible for company officials to inspect all properties before accepting them for fire insurance and the word of the insured or of the company's agent is usually taken with regard to location, availability of water and type of construction.

There are one or two instances where efficient fire protection in the case of country homes has been sufficient to allow companies to reduce the regular zone rate but the reduction is not provided for in rate manuals and is a result of individual consideration of the case.

Toronto Insurance Institute Elects Officers for 1933-34

W. H. Burgess, of the Canadian Surety Co., was named honorary president, and L. K. File, of the Canada Life, president, at the annual meeting of the Insurance Institute of Toronto, held on June 14 in Toronto. Other officers and council were elected as follows:

W. R. Houghton, London & Lancashire, vice-president; Clifford Elvins, Imperial Life, secretary-treasurer; R. Forster Smith, Liverpool & London & Globe, librarian.

The council for 1933-34 consists of past presidents and the following: J. H. Birkenshaw, Confederation Life; N. J. Lander, Continental Life; J. H. Riddel, Eagle, Star & Br. Dom.; E. T. Alberts, Canadian Surety; C. P. Muckle, Excelsior Life; J. G. Parker Imperial Life; A. C. Hall, Ocean Accident; George Weir, London Guarantee; J. H. Lithgow, Manufacturers' Life; J. W. Fisher, National Life; W. G. Gallow, North American Life; W. A. Thomson, Norwich Union; C. E. Sword, Union Insurance of Canton.

Life Insurance Passes Its 350th Birthday

First Recorded Policy Written by William Gibbons in 1583 — Story Full of Romance

By GEORGE MALCOLM-SMITH
Travelers Insurance Co. of Hartford

June 18 was the 350th birthday of life insurance. On that date in 1583, in the Royal Exchange in London, a gentleman named William Gibbons dipped his quill pen in ink and inscribed his signature on the first life insurance policy recorded in history.

Sixteen individuals underwrote the contract, the amount of insurance being a little more than 383 pounds (about $1,900) this sum to be paid Gibbons' heirs should he die within one year. The premium was eight per cent, approximately $152.

There is dramatic irony in the outcome of this pioneer policy, for policyholder Gibbons died within three weeks of the expiration of the contract, thereby leaving a considerable estate to his beneficiaries and demonstrating, at least from the standpoint of the assured, the efficacy of life insurance protection.

History Full of Drama

The history of life insurance is not, as its present standardized efficiency might lead one to believe, a dull, prosaic study, devoid of romance and human interest. On the contrary, it is a narrative of singularly dramatic appeal.

Students seeking its origin must refer to the annals of marine insurance, which is the oldest form of underwriting. The insurance of ships at sea first appears in the marine loans of the ancient Greeks, fully described by Demosthenes 300 years before the birth of Christ. Most chroniclers name Belgium as the birthplace of modern marine insurance, giving the time as 1300, although Villani, 14th century Florentine historian, asserts that it originated in Lombardy in 1182. In any event, the underwriting of marine risks was a well-established business by the close of the 14th century.

Pirates and Palmers

Out of marine insurance as it was practised in medieval times emerged a unique form of financial protection on the lives of captains of trading vessels. It was natural for a sea captain to reason that if his cargo were sunk in a storm or whirlwind, he himself might go down with it, and that, if his merchandise was worth insuring for the benefit of land-lubber London merchants, surely his own life was worth insuring for the benefit of his family. His insistence upon this point must have been emphasized by visions of piratical Turks whose galleys plied the Mediterranean and adjacent seas. Thus, when a captain sailed upon a voyage, it was customary for the underwriters to set up a sum, to be restored with interest upon his safe return, or to serve as ransom if he were captured by Corsairs. If he were lost at sea, the sum was to be paid his family as compensation.

A similar inspiration must have occurred to the Crusaders, for, although the taint of finance might detract from the high religious purpose of his pilgrimage, the palmer would derive considerable comfort from the knowledge that his insurers would ransom him should he fall into the toils of the heathen Saracen.

No nearer approach to modern life insurance appeared until the 16th century, but it should be noted that the annuity form was known in ancient Rome in the first century before Christ, when various ramifications were utilized as a means of state revenue.

The Great Audley

Annuities were familiar during the 15th and 16th centuries, but most frequently as instruments of usury. Perhaps, the best remembered of old-time annuity shysters is The Great Audley, whose most celebrated exploit was to give one of his many debtors the choice of planking down 500 pounds in a lump sum, or of paying a penny a week, to be progressively doubled each week for one year. The unthinking debtor snapped up the latter alternative, which seemed a generous bargain until, in the sixth month, he realized he owed Audley over 50,000 pounds.

For a century following the somewhat disconcerting experience of the underwriters in the William Gibbons contract of 1583, attempts at life underwriting resolved for the most part into mere wagers. Instances of these may be found in British judicial records of the 17th century. One of the most notable is the one year term contract written in 1697 on the life of Sir Robert Howard. With an unbecoming lack of sportsmanship and inconsideration for the insuring merchant's feelings, Sir Robert died precisely 24 hours before the expiration of the contract.

Toward the close of the 17th century, the famous coffee house of Edward Lloyd on Tower Street became the rendezvous of underwriters, merchants and shipowners. Here, under the stimulation of Master Lloyd's brew, they haggled over marine and fire risks, and occasionally indulged in a wager on the outcome of some current event.

Sporting Coffee-Bibers

A popular sport among the coffee-bibers was that of gambling upon the lives of prominent Londoners who fell ill. It is said that one British statesman, during an especially hard-fought convalescence, picked up a gazette to learn that his life was quoted at 90 per cent. The revelation was too much for him and he died from the shock. Unethical habitués of Lloyd's even bribed the servants of distinguished invalids to keep themselves posted on reports from the sick bed.

When William the Third undertook his war against France, wagers on his life were extremely popular. The many conspiracies against him lent an added zest to the gamble. When he marched against Namur, the odds were ten to three against his taking the city. Similar gambles continued throughout the century. It was wagered that George the Second would never return alive from the battle of Dettingen. A baronet wagered that he would go to Lapland and, in a given time, bring home two reindeer and two female natives. All manner of policies were opened at Lloyd's on the results of the venture. In 1777, an airy ambassador, known as the Chevalier d'Eon, was the subject of a veritable fever of gambling at Lloyd's, as to whether the person were male or female. At least a million sterling was risked on the question, but the foxy Chevalier refused to divulge his gender, in spite of bribes amounting to 30,000 pounds.

The early 18th century was the Bubble Era, the most famous of the many impostures of the period having been the South Sea Bubble. It was the charlatan's heydey and "assurance" came in for its share of racketing. About 1650, an Italian broker, Lorenzo Tonti, had appeared in France, with an annuity scheme designed to promote a public loan. His plan was to collect 300 livres from 14 classes of subscribers, the annual fund of each group to be divided among the survivors of that group, the capital falling to the state at the death of the last remaining individual. The Tontine principle found Great Britain a fertile field. Alluring advertisements appeared in London journals to tempt Londoners into Tontine investments, such as "The Lucky Seventy, or the Longest Liver Takes All."

During this period there was even an organization known as the Society of Assurance against Purgatory, the premium—moderate enough! being three pence a week.

LeBrun, Memorable Mountebank

One memorable mountebank, of the Bubble Era, was LeBrun, who had accompanied Sir Henry Morgan on his buccaneering attack on Panama and Paterson on his ill-fated expedition to Darien. LeBrun concocted a scheme whereby any person who paid five pounds was to receive 100 pounds per annum "as soon as a sufficient number had subscribed." The sufficient number never materialized, of course, but the LeBrun exchequer materialized a considerable profit.

Meanwhile, however, honest efforts were afoot among reputable persons to establish ethical and efficient methods of protection against the financial losses attendant upon life's unforeseen contingencies. Three important factors had to be worked out to place life insurance on a sound basis, namely, the accumulation and tabulation of statistics pertaining to mortality; the distribution of losses among many individuals so that the burden of payment might be apportioned equally; and the creation of an artificial person, or corporation, to hold property and support obligations uninterrupted by the death of individuals.

Graunt Computes Life Table

Credit for the first attempt to compute a table showing the probability of life's duration goes to a Londoner named John Graunt, who was a captain of the train-bands and, incongruously enough, a haberdasher. Previous to the 17th century, no records of vital statistics had been kept in Great Britain. In 1603, however, London originated its Bills of Mortality. They were begun in order to quiet public feeling by ascertaining the correct number of deaths atttributable to the plague, which in 70 years had visited the city five separate times and had caused at least 150,000 deaths.

John Graunt studied these records and in 1664 published his "Natural and Political Observations on the Bills of Mortality;" sub-captioned, "Table showing 100 quick conceptions, how many may die within six years, how many the next decade, and so on for every decade till 76."

The "Observations" constitutes our first actuarial table. Charles the Second recommended that the Royal Society elect Graunt a Fellow, charging the members that "if they found any more such tradesmen, they should admit them all."

Other pioneer actuaries include John de Witt, grand pensionary and patriot of Holland, who in 1671 presented before the states general a plan to discount future revenues by means of annuities, based on a proposed mortality table. De Witt's work lay buried two centuries in Dutch archives. Dr. Edmund Halley, eminent British scientist, presented before the Royal Society in 1693 a similar plan, basing his "degrees of mortality of mankind" on vital statistics obtained from Breslau in Silesia, the only city in the world which at that time maintained records of births and deaths, including the ages of its dead.

Pioneer Life Companies

Three organizations, the Mercers' and Amicable companies and the Society of Assurance for Widows and Orphans, were founded in the last decade of the 17th century as attempts to put Dr. Halley's propositions to practical advantage. All were of the assessment type and all failed, although Parliament put the Mercers' Company back on its financial feet and the Amicable was revived to begin anew.

The United States is the home of the oldest continuously operating life insurance organization in the world. This company, the Presbyterian Ministers' Fund, was incorporated in Pennsylvania, January 11, 1759. There is documentary evidence, however, that its existence as an underwriting association goes back to 1715.

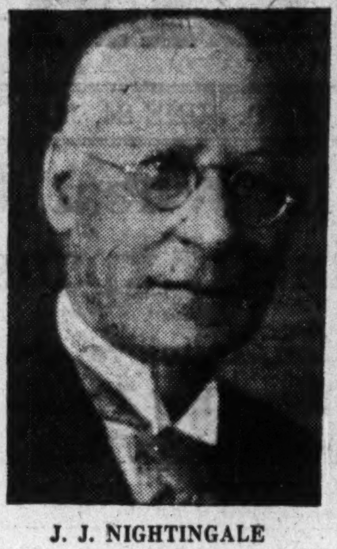
Perhaps the greatest single impetus to the development of the life insurance idea in the 18th century was the appearance in 1780 of the Northampton Table of Mortality, published by a Unitarian preacher, Dr. Richard Price. This table, a distinct improvement over all previous computations, remained for a century the basis of actuarial calculations.

As soon as they had sufficient records of their own, life insurance organizations began constructing tables that truly expressed the probability of mortality. The most complete storehouse of actuarial learning is found in the successive volumes of the Journal of the Institute of Actuaries of Great Britain, the first of which was published in 1872.

Before it had won complete public confidence, life insurance had to surmount many social as well as technical obstacles. The old contention that insurance is a defiance of the will of Providence died hard. In France, King Louis the Sixteenth forbade "the making of any insurance on the life of men." Prohibitory legislation existed also in Germany, Italy, Holland and other European nations. An indication of the air of secrecy which enveloped life insurance in its early days lies in the fact that when the Equitable Company was founded in 1762, its directors took a solemn oath "never to discover the names of persons making or applying for assurance."

The institution which made its advent 350 years ago this June is today one of the world's foremost fields of business enterprise. The amount of life insurance in force throughout civilization is estimated at 150 billions of dollars—an impressive monument to man's foresight, his sense of responsibility and his conscientious concern for the welfare of his fellow beings.

Heads Fraternals



J. J. NIGHTINGALE

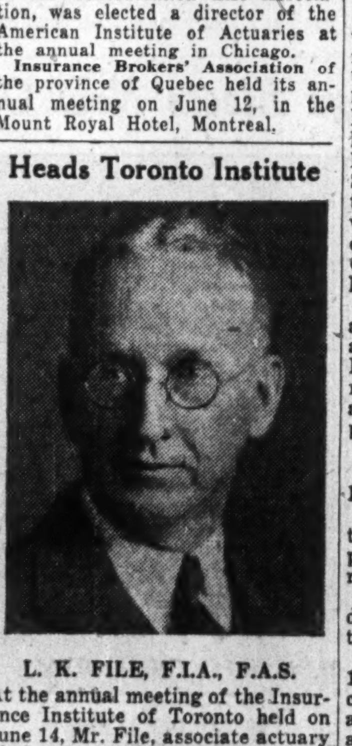
Provincial Chief Ranger of the Catholic Order of Foresters, Mr. Nightingale was recently elected president of the Canadian Fraternal Association.

Insurance Inklings

V. R. SMITH, M.A., A.I.A., A.A.S., F.A.I.A., general manager and actuary of the Confederation Life Association, was elected a director of the American Institute of Actuaries at the annual meeting in Chicago.

Insurance Brokers' Association of the province of Quebec held its annual meeting on June 12, in the Mount Royal Hotel, Montreal.

Heads Toronto Institute



L. K. FILE, F.I.A., F.A.S.

At the annual meeting of the Insurance Institute of Toronto held on June 14, Mr. File, associate actuary of the Canada Life Assurance Co., was elected president.

Succession Duties Affect All Classes

Small Estates May be Taxed — Knowledge of Death Duties May Enable Avoidance of Excessive Tax Charges — Should Study Exemptions

Succession Duties are no longer the concern of only the rich man. Since 1892 all of the Canadian provinces have sought to increase their revenues by imposing death duties; have gradually reduced the size of estates that are subject to exemption and have increased the rate of taxation. Death duties are not new. They date back to the first years of the Christian era; were a lucrative source of governmental revenue in Europe during the Middle Ages and were used as early as 1826 in the United States. A tax so easily imposed and collected readily becomes an established source of revenue and in the United States both federal and state governments impose this tax while in Canada the privilege has been delegated to the provincial governments and there are no Federal Succession Duties.

The importance of Succession Duties to the provinces is indicated by the proportion of revenue from this source to total current revenue. In the year ended October 31, 1932, Ontario collected $6,136,624 in Succession Duties which was 11.3 per cent of all ordinary revenues; in the previous year, Ontario collected $9,504,814, or 17.5 per cent of its revenues from this source. The amount collected from Succession Duties fluctuates according to business conditions so that governmental revenues from this source were large in 1928 and 1929 and dwindled during 1930, 1931 and 1932. To offset such declines, governments often change the rate of taxation. A supertax was placed on Succession Duties by several of the provinces in 1932 and this year British Columbia imposed a surtax of 25 per cent on Succession Duties and made other changes with a view to increasing revenues by $315,000.

May Affect Small Estates

Very small estates are not usually subject to Succession Duties whereas in large estates the tax may be extremely heavy. Even the small estate may be taxable however when it is left to other than near relatives and Manitoba even imposes a tax on estates of $1,500 and over which are bequeathed to near relatives which, in that province, include father, mother, husband, wife or child.

Estates of citizens of the United States, resident in Canada at time of death, are subject to a tax of one per cent on assets situated in the United States even though the estate is under $1,000. Succession Duties, therefore, may affect estates of almost any size and a study of the subject may result in savings in the amount of tax that must be paid. Where an estate will be of some size it is advisable in making the will that the testator consult an authority on Succession Duties such as a trust company or an experienced lawyer. Experienced counsel may enable the avoidance of heavy death duties without any evasion of the law.

Succession Duties might be defined generally as a tax imposed on property passing at death. They form a tax, not on the estate but on the beneficiaries who are liable for payment of the tax. The tax rate depends on several variables, 1, the total value of the estate; 2, the relationship between the deceased and the beneficiary, and 3, the amount that the beneficiary receives. In so brief an outline of such a broad subject it is not possible to consider in detail the Succession Duty Acts of each of the provinces. Unless otherwise stated, this article refers to the Ontario Succession Duty Act although in a later article the Succession Duty rates in effect in each of the provinces will be shown.

May Be Double Taxation

In Ontario, all property that passes at death of a person having permanent residence in the province is taxed with the exception of real estate situated elsewhere than in Ontario. Thus, property located outside of Ontario can be taxed by Ontario and also the state or province in which the property is situated. Stocks, for example, are legally situated where the company's transfer book is kept. The stock certificates might be held in Toronto but if the transfer books were in Montreal the Quebec government would claim taxes in addition to the tax on the value of the same stock made by the Ontario government. This double taxation, once more or less general, has been overcome to some extent by reciprocal arrangements made between the various provinces and states in Canada and the United States. Such arrangements are not in universal effect however. Ontario has made the greatest progress along this line and has reciprocal agreements with Prince Edward Island, Nova Scotia, Alberta, British Columbia, Yukon Territory, Great Britain and 28 states in the United States. Negotiations between Ontario and Quebec have been under way for some time but Quebec to date has arrangements only with Great Britain and Northern Ireland.

The effect of these reciprocal agreements is that other provinces and states do not levy Succession Duties on the property of Ontario residents or else such duties that are paid can be credited on the tax payable in Ontario.

Property That is Taxable

Property subject to Succession Duty in Ontario includes:

1. Property situated in Ontario that passes on the death of any person whether the deceased was a resident of Ontario or not.

2. Property transferred by the deceased to others "in contemplation of death."

3. Any gift made since July 1, 1892, excepting only gifts, not exceeding $500 and property to the aggregate amount of $20,000, made at least three years prior to death to father, mother, child, son-in-law or daughter-in-law. All gifts to a wife or a husband must be included in the taxable estate.

4. Property given during the life of the deceased to others who did not benefit or take possession until after death.

5. Property held in joint possession by the deceased and another which passes to the survivor, except such part as can be shown to have been contributed by the survivor.

6. Money received from an insurance policy whether payable to a beneficiary or not excepting only proceeds of insurance policies made payable to the estate in trust for the treasurer of the Province of Ontario for the purpose of paying succession duty. In this particular case the proceeds of the policy are not taxed but total premiums paid on the policy are taxable and must be included in the estate.

7. Property over which the deceased had general power of disposal by will or otherwise, but excluding property over which he had power of disposal as a trustee in a disposition not made by himself.

8. Any estate in dower or by courtesy in any land of the person so dying to which the wife or husband of the deceased becomes entitled on the decease of such person.

Assets Valued at Date of Death

For the purpose of succession duty, property is valued at its fair market value at the death of the owner. From the total value of the estate can be deducted debts, funeral expenses, Surrogate Court fees and the amount of duty payable to any other province than Ontario or any foreign state. Taxable gifts made by the deceased during his lifetime are valued on the same basis as other assets of which he died possessed regardless of the value of the gift at the time it was made.

The Ontario Succession Duty Act provides for various exemptions. Estates with a value of $5,000 or less are not subject to the tax. Any property of not more than $500 in value given or bequeathed to any one person and any annuity or income of not more than $100 per year are not taxable. Property left to religious, charitable or educational organization for these purposes, to be carried out in Ontario, is exempt as is property not exceeding $1,000 in value passing to a person who has been in the employ of the deceased at least five years prior to his death. Proceeds of insurance policies made payable to the estate of the deceased, in trust for the Ontario Provincial Treasurer, for the purpose of paying Succession Duty are exempt to the extent of the amount of duty payable. A proportion of the premiums paid on such policies is taxable, however.

Property passing to near relatives is not taxed providing the aggregate value of the estate does not exceed $25,000. Near relatives, according to the Ontario act, include grandfather, grandmother, father, mother, husband, wife, child, son-in-law or daughter-in-law of the deceased. Property totalling not more than $20,000 given by the deceased at least three years before his death to father, mother, child, daughter-in-law or son-in-law is exempt but gifts to a husband or a wife must be included in taxable property. Several of the provinces have issued bonds that are exempt from Succession Duties in the province of issue. All direct obligations of Alberta, with but one exception, are exempt; all direct obligations of Saskatchewan are exempt and Manitoba has some 15 exempted bond issues. Both Ontario and Quebec have a few issues that carry the exempt feature and such bonds usually command a premium.

Note: This is the fifth of a series of articles on wills and estates. The next article will continue the discussion of Succession Duties and will contain practical suggestions for reducing the amount of such taxes.

WHITTALL CAN CO. RESUMES PAYMENT ON SENIOR STOCK

Better Conditions Enable Firm to Pay Dividend on Preferred

From Our Own Correspondent

MONREAL.—Reflecting the upward trend in business of late and the better outlook for sales, Whittall Can Co. has resumed dividend payments on its 6½ per cent preferred stock with the declaration of a quarterly dividend of 1⅝ per cent.

In the early part of 1929 the company issued $1,900,000 of the preferred stock through Hanson Bros. Regular dividends were paid up to and including July 2, 1931, at which time they were discontinued. The stock is now in arrears to the extent of 11¼ per cent.

Canning Affiliates Troubles

The discontinuances of dividends was a reflection of the troubles being experienced by Whittall's canning affiliates. Its holdings in Associated Quality Canners' certain smaller enterprises have not been profitable in the past two or three years.

For the year ended February 28, 1933, Whittall reported net profits of $119,046 after depreciation charges. This was to the previous surplus of $548,868. Deductions had to be made, however, for Whittall's share of Associated Quality Canners' deficit in 1932 amounting to $389,200. In addition an investment of $76,678 in Quebec Canners had to be written off. After taking these items into consideration the profit and loss account surplus amounted to $229,701 compared with $548,868 at the close of the previous.

CHANGES NEEDED IN SPECIFICATIONS FOR BRITISH TRADE

Lumber Exporters Urged to Study British Requirements

If Canada really seriously wishes to re-enter the British lumber market, Canadian lumbermen will have to very drastically alter their ideas on specifications. What is wanted in Britain, according to K. T. Kirby, of the Manchester, Eng., Timber Trade Association, speaking at a luncheon of the association in Manchester, is a better average length and an improvement in scantling sizes. It would appear, he said, that Canadian lumber has definitely been ousted from the market as far as packing case wood, and such like types is concerned, and Canada's hope is in the building trade. In this trade, spruce from Eastern Canada is definitely needed.

As far as price is concerned, Mr. Kirby said that Canadian exporters must remember that despite a 10 per cent preference, they would have to contend in the British market with competition from continental points where labor costs are cheaper, and also that building in Great Britain must be carried on as economically as possible. All things being equal, however, he said, speaking for the Manchester Association, they were very anxious to put business in the way of the Canadian product. Spruce was what most of them had been brought up in, as it were, and it was equally distressing to them to see wood of inferior quality taking its place. He was afraid the reason for the decline in Canadian timber imports was because shippers had not taken the trouble to find out what the trade really wanted.

Cut Operating Costs

Speaking for the Eastern Canada lumber exporters, W. E. Golding, of Saint John, N.B., stated that operating costs in Canada had been cut in two in the last few years and yet despite this most companies were operating at a loss. He hoped, however, that with the increased efficiency and further efforts to reduce costs, it would be possible to meet a certain amount of competition in the British market, but it was going to take the 10 per cent preference and an increase in the exchange rate to accomplish this.

With regard to specifications, Mr. Golding said, that if importers wanted 2 by 4 or 3 by 7 or 2½ by 7, and special lengths, Canadians would want to know the requirements before they cut the logs. They had to pay something on the logs and they were lucky if they could make a mill turn out of the quantity on the log they paid for. Mr. Golding requested the British importers to let the Canadian Association have specifications of the sizes required in good time.

In a discussion which took place following the remarks of Mr. Kirby and Mr. Golding, it was pointed out that the only satisfactory way for the Canadian exporters to ship the necessary sizes to the British market was for him to receive his orders well ahead of time. British importers pointed out that, of course, this was very difficult and experience in the past had not been good as far as buying ahead was concerned. Importers in Great Britain had lost money through this method as when the shipments arrived they found that they were paying quite an appreciable amount above the market price.

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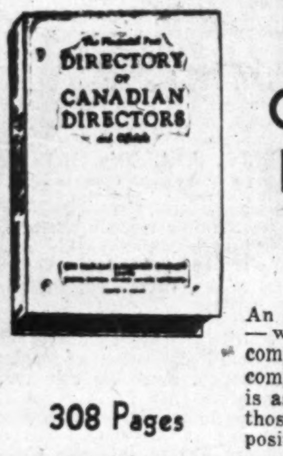

The Financial Post
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and Officials
1933

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Extracts from the Report for the Year 1932

Net Premiums (Fire, Life, Accident, Marine, etc.)	$50,488,890
Consideration for Annuities granted	764,401
Net Interest derived from Investments and other income	4,478,259
TOTAL	$55,731,550
TOTAL ASSETS OF COMPANY EXCEED	145,005,496
TOTAL CLAIMS PAID BY THE COMPANY SINCE ITS COMMENCEMENT EXCEED	866,000,000

FUNDS OF THE COMPANY

The Funds of the Company are as follows:—

Capital (paid up)	$ 5,310,500
Fire Reserve Funds	17,064,749
Life Funds	49,768,545
Annuity Fund	3,538,656
Leasehold Redemption Fund	859,606
Marine Reserve Funds	2,090,565
Accident and Miscellaneous Insurance Reserve Funds	29,750,800
Profit and Loss Account after payment of Dividend for 1932	2,671,983
General Contingencies Fund	13,500,000
Four per cent Perpetual Debenture Stock Premium Fund	917,306
Staff Pension Fund	2,361,730
Total Funds	$127,834,440

($5 taken as equivalent to £1)

Extract from Auditor's Statement:—
The Stock Exchange Securities are included at or below cost, and the Assets set forth in the Balance Sheet taking into account the General Contingencies Fund are in the aggregate fully of the value stated therein.

Canadian Head Office - 500 Place d'Armes - Montreal

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

University of Toronto Investments Intact

1932 Report a Model for Institutions — Schedules and Appendices Give Details — Market Value of Securities Shown — Contingent Fund Reduced

Investments intact, endowments and buildings increased and contingent fund reduced are features of the report of the Board of Governors of the University of Toronto to the province of Ontario for the year ended June 30, 1932. Although the report appears to have been completed last November, it has just been published by the province.

In many respects the report might be considered a model of its kind. As usual it gives considerable detail of assets and liabilities in various schedules and appendices. In addition to financial statements, the report supplies the usual statistics on educational work done, list of staff appointments, and so on.

A striking feature is the auditor's report. In addition to verifying book values of securities, it supplies market values at two dates which show the investments to have been maintained intact and in accordance with the figures of the bursar, Dr. F. A. Mouré. This is of special interest in view of the recent heavy losses of the University of Manitoba through defalcations of John A. Machray, former prominent Winnipeg barrister. The auditor of the University of Toronto has expanded his certificate for the 1932 year, probably for this reason.

Securities in Safekeeping

E. C. Clarkson, of Clarkson, Gordon, Guilfoyle and Nash, certifies in his statement that the securities representing the investments of the University are held in safekeeping by The Canadian Bank of Commerce. They were examined by the auditor on Sept. 22 and 23, 1932, "and found to be in agreement with the records kept by the bursar." The securities are certified to consist largely of bonds issued or guaranteed by the Dominion Government and province of Ontario, and Ontario municipal debentures.

The market value of the securities at June 30, 1932, was $382,966 less than their cost, but at Oct. 31 this deficiency in market value had been reduced to only $9,027. Many institutions and business organizations would envy this record. The deficiency in market value at June 30 amounted to only .79 of one per cent of the book value of the securities, which were carried at $4,870,800.

Mr. Clarkson's certificate also states:

> "As the bulk of your securities are held until maturity the present deficiency in market value (Oct. 31, 1932) does not indicate any probability of eventual loss provided the bonds do not fall into default in respect of either interest or principal. The Bursar's records are well kept and all endowment and trust funds are properly accounted for."

From this it would appear that none of the securities was in default of principal or interest at Oct. 31, 1932, the date of the certificate.

The general financial statement of the University at June 30, 1932, follows:

Financial Statement of University of Toronto at June 30

	1932	1931
	$	$
Liabilities		
Gen. endow't	11,746,323	9,418,845
Specific endow'ts ...	425,477	417,465
Trust funds	3,920,294	3,908,162
Pension funds	519,154	411,261
Annuity debs.	1,531,065	1,587,494
Conting. fund, etc. ..	462,785	381,248
Advance fees	5,000	375
Dental college	50,000	50,000
	18,660,098	16,174,850
Assets		
Land, bldgs. etc. ...	11,071,140	8,816,370
Unprod. lands	58,622	58,610
Leased properties ...	683,171	685,921
Invts., cash accts. rec.	5,887,347	5,617,123
Roy. Ont. Museum Inv.	248,376	248,376
Ont. Govt. annuities .	691,906	721,470
Stores	19,536	26,980
	18,660,098	16,174,850

*Does not include any assets or liabilities of the Toronto Conservatory of Music.

This statement does not include land, buildings, endowments and investments of such affiliated institutions as Victoria College, Trinity College, Knox College, Ontario College of Dental Surgeons, and so on.

Endowments Increased

The large increase in general endowments is due chiefly to new buildings, entered at cost, and erected at the expense of the province. These also account for the greater part of the increase in value of land and buildings among the assets.

The item, contingent fund, etc., among the liabilities, includes what is really the income and surplus account of the University. In addition to income and surplus, it contains amounts which have been voted to the University for construction, but which had not been entirely exhausted at the time of the report.

The actual income and surplus account, if it were tabulated separately in the accounts, would record the following:

Special Contingent Fund of University of Toronto for Years Ended June 30

	1932	1931
	$	$
Bal. prev. year	355,191	319,046
Revenue	1,507,519	1,500,249
Prov. grant	1,200,000	1,381,887
	3,062,710	3,201,182
Less:		
Expenditures*	2,867,947	2,797,185
Int. to scholarships etc.	56,882	48,806
Bal. at June 30	137,881	355,191

*Exclusive of the Ontario College of Education which is maintained by a separate provincial vote.

The reduction in special contingent (income and surplus) account for the year, therefore, amounted to $217,310. Dr. H. J. Cody, chairman of the board, states that this deficiency resulted during the year "although every effort was made to reduce expenditures, including the putting into effect of a temporary reduction in the salaries of the staff from March 1." It should be noted that the board, when budgeting, expected to receive from the province a grant of $1,418,034, whereas the actual vote subsequently passed was for $1,200,000.

Saving Uncertain

From this it would seem that the reduction of the provincial grant after the University estimates had been made did not actually save as much for the province as would seem apparent on the surface. The estimated grant was reduced $218,034, and partly as a result the University had a deficit of $217,310. In one pocket and out the other. Of course the University deficit might have been larger if economies had not been effected after the governors learned that the grant was to be reduced.

Commenting on the reduction of the contingent fund, Dr. Cody remarks: "The fund...was reduced to $137,881, and this remainder will be required to supplement the revenue of the current year (1932-33)."

In connection with the financial affairs of the various affiliated colleges of the University, it should be noted that they handle their own endowments and investments. Some of these bodies publish statements.

Victoria University, for instance, shows endowments of $3,058,267 and buildings at $2,444,268. Income from endowments and investments amounted to $162,704, a rate of 5.32 per cent on the investments and endowments.

It is known that the Massey family has endowed Victoria generously. From this it might be thought that Massey-Harris shares bulk large in the investments of the college. But The Financial Post is informed that this is not the case. There are understood to be a few shares of Massey-Harris stock among the investments, but by far the greater portion consists of trustee securities. It is also understood that non-trustee securities with which the college has been endowed have largely been converted into trustee investments. In this college, therefore, another enviable record has been established.

Athletic Association

Of other colleges and departments of the University of Toronto, less is known. This brings up the Athletic Association which does not make its financial statement public, as do similar bodies in many leading universities in the United States.

Some of the affairs of the Athletic Association can be pieced together from the report of the University. The value of the stadium equipment and hockey arena are shown at $11,818 and $223,070 respectively among land and buildings. The former figure seems small, when it is realized that the stands of the athletic field will accommodate some 16,000 spectators without difficulty.

The arena figures can be traced with some accuracy. The building apparently cost $223,070. It was erected in 1926. That year the board of governors lent the Athletic Association $206,000, which, however, included another small loan to another body. The rate of interest was understood at the time to be favorable to the Athletic Association, possibly two or three per cent. In any event, it appears that the Athletic Association was able to put about 20 to 25 thousand dollars of its own money into the project in the first place. Then it reduced the amount of the loan to $180,000 by June 30, 1927.

Paid Off $105,000

Between 1928 and 1931, the loan was reduced by $105,000, to $75,000. This was done by three annual reductions of $25,000, and in one year, 1930, of $30,000. In the year ended June 30, 1932, only $10,000 was paid off the loan, which therefore stood at $65,000 on that date. Apparently the investment of the Athletic Association in the arena is about $155,000 or $160,000.

The revenue from the arena itself is not believed to be sufficient to allow of such large annual payments. It is believed that revenue from football games is the chief source of profit to the Athletic Association, and that it has been used to a large extent in paying off the arena loan.

Without a similar model report from the various colleges of the University, it is impossible to make a full survey of the condition of all the endowments and investments of the complete group of affiliated institutions which is the University of Toronto. But from the information which is available, the citizens of the province of Ontario, most of whom have a taxpayers' stake in the University, can satisfy themselves that at least the evidence of public expenditures exists intact.

Enquiries

Kingston Elevator

Can you tell me if my Kingston Elevator bonds will be affected by the troubles of the parent company, Canada Steamship Lines?

From an operating point of view the Kingston Elevator Co. has done well since its establishment a few years ago. Some doubt exists as to its current position in view of the difficulties of the parent company—Canada Steamship Lines. As you know this company has failed to pay interest on its general mortgage bonds and steps have been taken to form a bondholders' protective committee. In arriving at a re-arrangement satisfactory to the bondholders, it is possible that the position of the Kingston Elevator Co. may, be affected. This is only surmise, of course, as the bondholders' protective committee is only beginning to study the situation.

Bell Telephone

It would be appreciated if you would give me your views on the current position of the Bell Telephone Co. I am considering the purchase of a few shares of stock in this organization.

The Bell Telephone Co. has been affected by the business depression, the number of stations installed showing a substantial decline. The rate of withdrawals has lessened of late and officials of the company are hopeful that the turn has taken place. At the same time toll traffic income of the company, one of its principal sources of revenue, has been restricted. Both installations and toll traffic, of course, reflect very closely the trend of business conditions. If the improvement noted of late continues the company is in an excellent position to take advantage of the betterment as it will not be involved in any large capital expenditures to take care of the increased volume of business. This, in turn, would be reflected in a substantial increase in earnings.

Outlook for Dominion Bridge Co. over the next 12 months is more encouraging. Earning power of this organization is dependent largely upon new bridge work, structural steel orders, and equipment in the pulp and paper, power and mining fields. Admittedly there has been a better tone to business of late but this as yet has not taken tangible form in the way of large orders.

Dominion Bridge's capital consists of 516,951 common shares of no par value. In the year ended October 31, 1932, consolidated income account of the company showed earnings equivalent to $1.49 a share as against dividend payments of $2.25. The last dividend payment of 50 cents a share was made on May 15, 1933.

Canada Steamships

I hold a $1,000 general mortgage bond of Canada Steamship Lines upon which no interest was paid last April. Can you tell me what is being done about this matter and when interest will be resumed?

Canada Steamship Lines having failed to meet sinking fund and bond interest payments on its general mortgage bonds, a bondholders' protective committee has been formed. This committee has no legal authority as yet, but steps are being taken to ask the bondholders to deposit their securities in order that the committee may have sufficient authorization to act on their behalf.

So far this committee has no definite plan in mind and it is stated that some considerable time will elapse before they have completed their investigation of the company's affairs. It is possible that a capital reorganization may have to be effected. There is no immediate prospect of a resumption of interest payments and any comment on the company's prospects is of little value until the committee has brought down its report.

Gypsum, Lime

In the annual report of Gypsum, Lime I notice that the company is going to call a bondholders' meeting. I have seen no reference to this meeting in your paper and I would like to know what happened.

Aside from the intimation given in the annual report that the directors of Gypsum, Lime and Alabastine were going to request the trustee to convene a meeting of bondholders, no other developments have taken place. Under present conditions the company's funded debt is proving a heavy burden and it is possible that the company may ask the bondholders to make some concessions until conditions take a turn for the better. On the other hand the company has been doing better this year than had been anticipated when the 1933 budget was drawn up at the end of last year. If the improvement continues it is possible that no action may be taken in connection with the bonds, but it is too early to make a definite statement on this point.

C. D. S. Securities

Will you please let me have a report on Consolidated Diversified Standard Securities?

Since reorganization of the Diversified Standard Securities group of companies and the acquisition of their assets by Consolidated Diversified Standard Securities, the latter has been able to make some headway. The income account for the period July 13, 1932, to December 31, 1932, showed a net profit of $72,514 against which preference dividends amounted to $12,670. On this basis earnings on the preference shares amounted to $1.41 a share. On the basis of dividends, interest and exchange, less expenses and taxes, the company earned 35c. a share against which a dividend payment of 25c. was paid.

The balance sheet at the end of December 31, 1932, showed Consolidated Diversified Standard Securities to have a satisfactory position. Liabilities had been reduced to the nominal sum of $4,978. The net asset value of preference shares amounted to $18.73. In view of the improvement which has taken place in the market since that time, it is likely that the net book value of the preferred shares has increased.

McColl-Frontenac

Will you let me have some information of McColl-Frontenac Oil especially as to its earnings on the common stock in the last two years?

McColl-Frontenac has developed its properties rapidly in the last two or three years and now ranks as the third principal refiner and distributor in the Dominion. During the year ended January 31, 1933, earnings on the common stock were equivalent to $1.53 a share as against dividend distribution of 60 cents. In the previous year the company earned $1.81 and in 1931, $1.43 a share.

Canadian Vickers

What are the prospects of Canadian Vickers resuming dividends on its preferred shares? I own a few shares of this stock, which I have been carrying for some time in the hope that the company would be able to begin repaying dividends.

Canadian Vickers has done a lot to improve its operating and financial position in the last two years but business conditions have been such that it has been out of the question for the company to develop an earning power commensurate with the capital investment. For the year ended February 28, 1933, net earnings amounted to only $67,323, against which depreciation and bond interest charges amounted to $195,647 and $177,209 respectively. No earnings have been available for dividends on the preferred stock in the last two years. This stock, which carries a cumulative dividend, has been in arrears since November, 1929. Prospects for a resumption of dividends do not appear encouraging for the near future.

Mount Royal Hotel

I hold some preferred shares of the Mount Royal Hotel Co. No dividends have been paid lately and I would like you to tell me when they will be resumed.

Mount Royal Hotel Co.'s earnings have not shown any marked improvement of late. This has been due to a dropping off in tourist traffic, and general business conditions. The management have effected drastic economies. Earnings last year were not sufficient to take care of bond interest after providing for depreciation. In the previous year $1.85 was earned on the preferred stock as against a dividend payment of $3. It is unlikely that the preferred dividends will be resumed until there is a marked revival in the hotel business and a substantial increase in the company's earning power.

Essex Border Utilities

What are the prospects for the defaulted interest which was due on Feb. 1, 1933, on Essex Border Utilities 5¾ per cent bonds of 1941, being paid and when? Is there no way by means of which the bondholders can enforce payment of the interest? We understand that the commission have funds available partly to pay the interest due, and if such is the case, why has part payment of the interest not been made?

Essex Border Utilities Commission has been granted permission by the Province of Ontario to be treated as a municipality under the Ontario Municipal Act. A committee of supervisors has been formed to look after interests of the bondholders. It is only through this committee that bondholders can arrange interest payments as it will have complete charge of the finances, just as though the utilities commission were a defaulting municipality.

There is some opinion that part of the interest will be paid this year.

The reason that interest has not been paid is that funds were not available for all of it. There are bond issues outstanding for various properties of the commission. Apparently revenue does not apply equally to all issues, but certain revenue belongs to certain issues for interest. There was money to pay all, or nearly all, interest on some bonds, and to pay very little on others, it is understood. Rather than pay some and not others, all issues were defaulted.

St. Catherine-Stanley

Have you any current information on the position of the St. Catherine-Stanley Realty Corp. We hold a few bonds in this company.

St. Catherine - Stanley Realty Corp.'s financial and operating position is about as satisfactory as can be expected under present conditions. All charges are being met by the company, although payment of interest is being made in Canadian funds. Earnings were down last year and expectations are that income for 1933 will not be as great as in 1932.

The company owns an elevenstory building, located at the corner of Stanley and St. Catherine Streets, in Montreal. Real estate owned by the company is located one block from the busiest intersection in the city.

There is an inactive market on the St. Catherine-Stanley Realty bonds. The price range is between 30 and 45, there being a firm bid at the former price.

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Bank Chat on Current Topics

"Old Soldiers Never Die"

RECORDS of the Hudson's Bay Co. in London, Eng., contain information that is of tremendous value in any study of Canada's early economic history. Canadian banks, while they lack the glamorous history of "The Governor and Company of Adventurers of England Trading into Hudson's Bay," incorporated in 1670, have had just as important a part in molding Canada's economic history in the last 100 years. The modern bank manager has little in common with the fur trader who "traded into Hudson's Bay" but there is one point of similarity in that few bank men or fur traders are noted for their autobiographies.

That bank men are not more prolific writers is to be regretted. Many an interesting story of Canadian development is lost; many a contribution to current economic history is delayed. From the roster of active manager have passed the names of many old-time bankers in the past year. It is not unusual for the local papers to record the retirement on pension of branch managers whose banking experience extends back over four decades. Honored in their passing from banking activity, little mention is usually made of the services they have rendered to many communities in their banking career. The story these men could tell of the development of the small Canadian municipality that has taken place in the present century and of the part that the bank and branch managers have taken in this development would make a story worth reading.

* * *

TAKEN at random from a sheaf of clippings we see that George E. Sterling is retiring from the Canadian Bank of Commerce after 41 years of banking service of which 32 years were spent in Plattsville, Ont.; J. G. Mullen, manager of the Seaforth branch of the Canadian Bank of Commerce since 1916, is retiring after 42 years of service. These are not isolated cases and usually it is apparent that retiring bank men hold a place of high esteem in their respective communities. The most interesting part of the story however, is not the memberships that bankers hold but their contribution to the growth of their bank and their community. The late John Elliott managed a branch bank in Belleville for 24 years and in that time fostered a cheese industry that will continue indefinitely; he was known as the best trainer of young men that the Standard Bank had and was a leader in civic enterprises. John Elliott started to write the reminiscences of a small town banker but the task was not completed; remains yet to be done. But the work that John Elliott and others of his calibre started lives on; it was basic work of permanent value. We can very well say "Old Bankers Never Die."

Foreign Exchange

RUMORS and denials of rumors of stabilization arrangements between the dollar, pound and franc dominated foreign exchange markets in the week ended June 19. After a brief recovery, when stabilization was thought imminent, the United States dollar again tumbled.

"Control" would probably better describe what monetary experts are seeking of foreign exchange than "stabilization." Both British and American authorities appear to shun the notion of setting arbitrary levels for their currencies. From the expressed views of those in high monetary authority it appears that equalization fund operations to smooth fluctuations and hamper speculation may be the aim of the great monetary and economic powers.

* * *

CANADA will follow the lead of Great Britain, France and the United States in any scheme to control currency fluctuations according to R. B. Bennett. Economists have stated frequently that we cannot set the pace in this respect. Our dollar is still at the mercy of such currencies as sterling and the U. S. dollar. If controls are attempted, it is considered that this situation would change but little.

The desire of the administration at Washington to raise prices is seen as a bar to early stabilization of the United States dollar. Moreover recommencement of foreign lending might alter any arbitrarily chosen levels for currencies. So would other factors.

FOREIGN EXCHANGE

New York Funds

	High	Low	Last Year High	Last Year Low
	(Premium)		(Premium)	
	%	%	%	%
June 13	11 1-2	10 9-16	15 15-16	15 3 4
June 14	11 11-16	11 1-4	15 3-4	15 5-8
June 15	13 1-8	13	15 7-8	15 5-8
June 16	12 7-8	12 5-8	15 15-16	15 3-4
June 17	12 7-8	12 7-8	16 5-16	15 13-16
June 19	12	11 7-16	16 1-4	16 1-8

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
June 13	4.14 3-8	0.482	0.638 1-2
June 14	4.08 5-8	0.475	0.629
June 15	4.06 3-8	0.467 1-4	0.626
June 16	4.07 1-8	0.473	0.629
June 17	4.06 3-4	0.472 3-4	0.628
June 19	4.14 3-8	0.482	0.640

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.3918	$0.0526
June 13	4.57	0.0531	0.0703 1-2
June 14	4.60 1-2	0.0535	0.0708 1-2
June 15	4.55 1-2	0.0527 3-4	0.0699 1-2
June 16	4.59	0.0540	0.0708 1-2
June 17	4.59 1-2	0.0534 1-2	0.0710
June 19	4.62 1-2	0.0537	0.0714 1-4

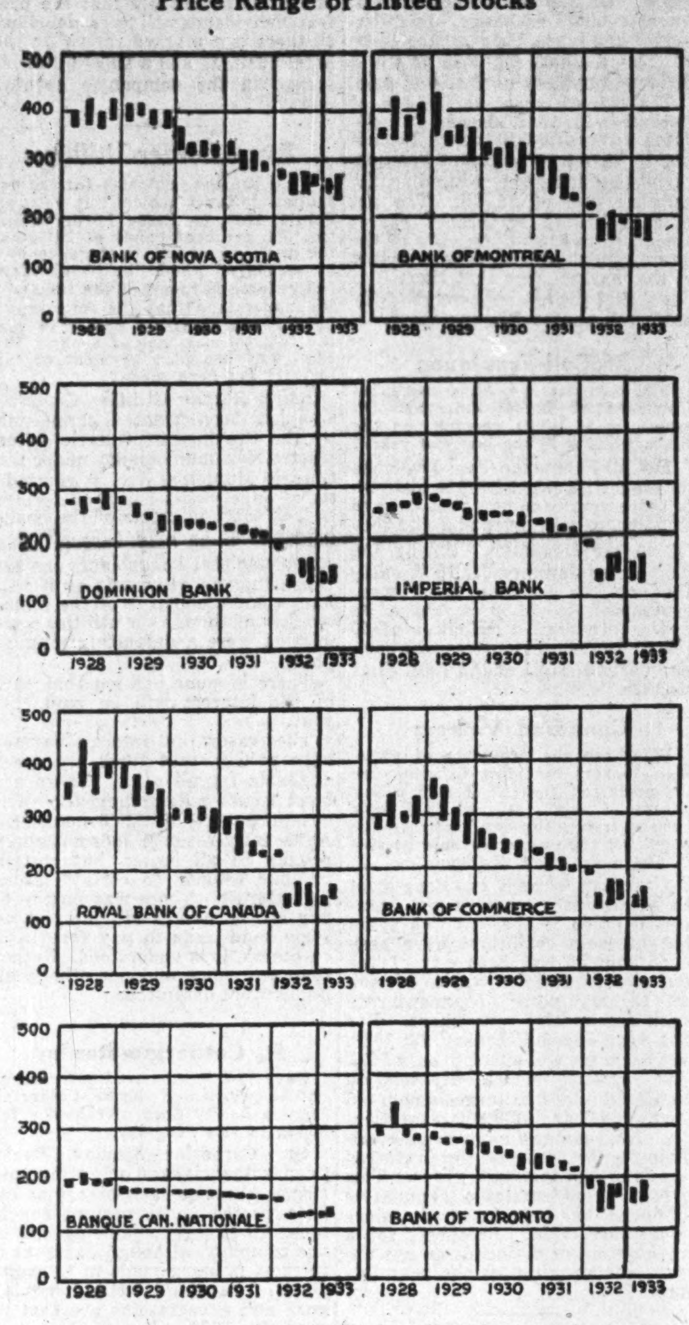
	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
June 13	0.3206	0.1879	0.2925
June 14	0.3237 1-2	0.1900	0.2917
June 15	0.3192 1-4	0.1887	0.2963
June 16	0.3221	0.1903 1-2	0.2953
June 17	0.3234	0.1902	0.2916
June 19	0.3250 1-2	0.1909	0.2882

Mutual Savings Banks Operate on Small Spread

The mutual savings banks of Massachusetts have earned an average of 5.057 per cent over the last 40 years and have paid to depositors an average interest rate of 4.167 per cent according to M. F. Converse, president of the Savings Banks Association of Massachusetts at the annual convention of the association held recently. From the spread of .890 of 1 per cent a year overhead costs, depreciation, reserves, etc., were covered.

Current Events in Banking World

Price Range of Listed Stocks



The trend of prices on stocks of eight Canadian chartered banks from 1928 to June 19, 1933, is clearly shown in the above charts, which show the high and low prices prevailing in each quarter. In the last quarter of 1931 and the first quarter of 1932 prices were "pegged" on the Montreal and Toronto stock exchanges but shares changed hands in an "over the counter" market in which prices were well below the "pegged" prices.

BANK STOCKS STILL OFFER HIGH YIELDS

Present Prices Are Still Well Below 1932 Highs

AVERAGE YIELD 5½%

Long Record of Earnings and Dividend Payments Add to Attractions as Sound Investments

Stocks of eight Canadian chartered banks listed on Canadian stock exchanges were selling at prices on **June 19 that gave an average yield of 5.51 per cent in contrast to an average yield of 7.82 per cent available on the same stocks in early July, 1932, shortly after stock prices had reached their extreme low point and in contrast to an average yield of 4.67 per cent obtainable in August, 1929, at the peak of the bull market.** The record of Canadian bank stocks during the past two months has been one of gradual appreciation in prices, gains have been made in face of reductions in dividend rate by several of the banks, of possible reductions by others.

Throughout the past three and a half years the trend of prices has been downward until yields obtainable on Canadian bank stocks are exceptionally high in comparison with yields obtainable over the past decade. The improvement shown during the past two months has been definite but not exceptional.

Prices Are Still Low

Bank stocks are purchased primarily for investment, not for speculation, and cautious investors looking for bargains in bank stocks must first be assured that improved prices have a definite basis in improved business conditions. Another factor is the relatively high price of the bank stocks which tends to keep small investors out of the market for these securities. Even at present prices, materially higher than those of last March the Canadian bank stocks are selling at prices that are low in comparison with prices prevailing for several years prior to 1929. Canadian Bank of Commerce shares selling at $144 have not been that low for over 20 years if 1932 price levels be excepted. Bank of Nova Scotia stock, selling at $263 sold down to that price in 1925 and did not touch that low again until 1932. Royal Bank shares at $163.50 never sold at that price until 1932. The record of the other bank stocks is largely the same and it would appear that despite the appreciation of recent months prices have failed to move at the same rate as prices on industrial stocks. The double liability attached to ownership of bank stocks, while not a factor to be over-looked, is not regarded as having had any effect on demand for this class of security.

Not Subject to Extremes

It is true that stocks of the Canadian banks do not fluctuate as widely as do the stocks of industrial and public utility companies. Nor have the Canadian bank stocks shown the same degree of fluctuation that has been shown by stocks of leading banks in the United States. The index of New York bank stocks compiled by the American Banker shows a range of 228 to 100 on 17 representative issues in 1929 as compared with a range of 45.7 to 28 in 1933 to date. One reason for this wide spread in prices is that public confidence in the U. S. banking system was severely taxed in the past two years and stocks of the strongest banks were affected. Another reason is that certain bank stocks in the United States sold at absurdly high levels in 1929 whereas bank stocks were not subject to the same degree of manipulation.

The range of prices of the listed Canadian bank stocks from 1927 to the present time indicates the trend of prices through the bull market and the subsequent period of depressed prices. The record of the eight listed Canadian bank stocks is as follows:

PRICE RANGE, CANADIAN BANK STOCKS, 1928-1933

	1928		1929		1930		1931		1932		1933	
	H	L	H	L	H	L	H	L	H	L	H	L
Commerce	330	277	360	240	275	222	232	196	191	123	154	119½
Dominion	300	250	280	225	243	216	224	204	194	125	161	124
Imperial	282	245	277	227	245	216½	225	201	193	130	169	123
Montreal	420	335	425	295	325	275	303	235	225	151	200½	150
National	220	184	189½	170	175	168	175½	158¼	159¾	127	135½	127
Nova Scotia	410½	374	405	370½	355	314	326	284	275	238	270	228
Royal	435	332	397	28[illegible]	315	272	291	231	171	120½	165	128
Toronto	340	270½	282	240	262	218	238	213	193	125	186	151

The consistent record of earnings and dividend payments of the Canadian chartered is too well known to call for prolonged analysis. Net earnings reached a peak in 1929 and have fallen off in each subsequent year as could be expected in a period of declining business activity during which industrial loans were reduced. With increased production banking accommodation will be more in demand and bank profits will be greater. Surplus funds of the banks are now invested in high grade securities on which there is a comparatively low return but which offer a high degree of security and liquidity. Transfer of such surplus funds into commercial loans cannot be made immediately and improvement in banking profits can be expected to lag somewhat behind improvement in general business. This lag may be the more noticeable due to the conservative accounting methods of the banks which make ample provision for losses that are unavoidable in any commercial banking business. The earnings record of the nine banks since 1925 is shown as follows:

EARNINGS PER SHARE AFTER DEDUCTING DEPRECIATION AND TAXES

Bank:	1925	1926	1927	1928	1929	1930	1931	1932
	$	$	$	$	$	$	$	$
Commerce	14.19	14.43	15.01	13.05	13.48	14.18	13.08	11.93
Dominion	14.82	14.89	15.32	16.36	14.83	14.71	13.01	9.51
Imperial	14.46	15.80	13.90	11.56	15.02	13.92	12.98	9.08
Montreal	14.42	†14.57	15.29	15.87	15.95	14.61	12.43	11.40
National	13.13	13.83	14.60	15.38	13.55	12.98	12.74	12.29
Nova Scotia	18.88	18.93	21.15	21.36	22.61	16.83	17.17	16.11
Provincial	9.00	*10.84	9.85	10.39	10.88	9.55	9.09	8.83
Royal	13.37	15.07	14.95	16.50	17.53	16.09	12.71	11.03
Toronto	14.66	16.17	17.31	19.30	18.26	16.63	15.15	13.07

*Not including premium of $220,155 paid by shareholders on issue of $1,000,000 of new stock. †Not including write-off on bank premises.

While earnings have declined since 1929 the equities of bank shares have shown little change. The banks are commonly believed to have built up secret reserves to offset losses in periods of depression and this is undoubtedly so in many cases. The published reports of the banks fail to show the amount of reserves that are set up each year and it is probable that the equities shown in the table below are still under the actual break-up value of the shares. Yield and security are the important considerations to most investors in bank shares and yields to be secured on the stocks of the several banks show a greater than usual spread due largely to possibilities of further reductions in dividends. The dividend record of the banks in the past, however, has been such that there is every reason to believe that dividends will again be increased as earnings improve. Statistical position of the banks as shown in the latest available annual statements together with present dividend rate, market value of shares and yield to be secured, is shown as follows:

	Capital	Reserve	Equity per share	Earnings per share	Present divd. rate	Price June 19	Yield
Commerce	$30,000,000	$30,000,000	$201	$11.93	8%	$144	5.56%
Dominion	7,000,000	9,000,000	233	9.51	10%	160	6.25%
Imperial	7,000,0000	8,000,000	222	9.08	10%	165	6.06%
Montreal	36,000,000	38,000,000	211	11.40	8%	197	4.06%
National	7,000,000	7,000,000	208	12.29	10%	135¼	7.39%
Nova Scotia	12,000,000	24,000,000	304	16.11	12%	263*	4.56%
Provincial	4,000,000	1,500,000	146	8.83	6%	.....	.....
Royal	35,000,000	35,000,000	203	11.03	8%	163½	4.89%
Toronto	6,000,000	9,000,000	258	13.07	10%	188	5.31%

BRITISH P. O. BANK AIDS WITHDRAWALS

One out of every four people living in the British Isles use the Post Office Savings Bank which now has deposits of over £315,000,000 and holds for its depositors securities to the value of nearly £200,000,000. Traditional policy of this government savings bank has been to promote thrift by making it difficult for depositors to make withdrawals; restrain foolish spending.

Arrangements have now been made to give small depositors facilities for withdrawal by means of travellers warrants of the fixed sum of £6. These warrants or drafts will be cashed at any post office in the United Kingdom and on British shipping lines without surrender of the bank passbook.

The Post Office Savings Bank has great prestige among small depositors in Great Britain. The average balance of each depositor has increased by 50 per cent since 1912 and the number of live accounts is up by 1,000,000. Change to a National government in 1931 was due in part to the campaign statements that under the labor party postal savings deposits were no longer safe. Untrue as the statement was many small depositors voted against labor as a result.

BANKS IN DETROIT LEVY SERVICE FEE

Free Chequing on Commercial Accounts is Restricted by Charge

Service charges on commercial accounts instituted by the new National Bank of Detroit provide for a basic charge of $1 per month on accounts less than $200 with one free item, a cheque drawn or deposited, permitted for each $10 of the balance in the account. A charge of 3 cents will be made for each additional item. On accounts averaging between $200 and $1,000 no basic charge will be made.

Table of Rates

The rates, announced originally on February 1, are:

Average Collected Balances	Free Items per mo.	Basic Charge per mo.
Under $100	10	$1.00
$100 to $199	10	.50
$200 to $299	8	....
$300 to $399	16	....
$400 to $499	24	....
$500 to $599	32	....
$600 to $699	40	....
$700 to $799	48	....
$800 to $899	56	....
$900 to $999	64	....

The following charges will be made on items deposited or charged against accounts above the free items listed in the foregoing schedule: First 100 items, 4 cents each; next 100 items, 3 cents each; next 100 items, 2½ cents each; next 100 items, 2 cents; each; next 600 items, 1½ cents each; further items, 1 cent each.

Accounts having an average balance of $1,000 will be analyzed and if not self-supporting will be charged accordingly.

Imperial Bank Maintains Dividend Rate at 10 p.c.

The Imperial Bank will pay a quarterly dividend of $2.50 per share on August 1, thereby maintaining the annual dividend rate of $10 per share instituted with the dividend paid November 1, 1932, when the rate was reduced from $12 per share. Excluding the dropping of the 1 per cent bonus paid up to 1930 the Imperial Bank dividend has been reduced but once since 1890.

From 1911 to 1931 a dividend of 12 per cent was paid although a bonus of 1 per cent was paid from 1920 to 1930 inclusive. From 1901 to 1906 the bank paid annual dividends of 10 per cent, and from 1907 to 1910 paid dividend of 11 per cent.

Larger Cut of Ties

The cut of railway ties in the District of Thunder Bay during the 1932-33 season was almost 50 per cent greater than the cut for the previous season and was the largest on record for the district since 1928. During the season just closed 411,484 ties were taken out, as compared with 276,522 last year; 240,567 in 1930-31 and 228,297 in 1929-30.

Weekly Bank Clearings

	June 15 1933	Change year ago	June 8 1933
	$	%	$
Halifax	2,010,658	—8.3	4,618,170
Saint John	1,289,410	—28.4	1,417,082
Moncton	580,763	—9.9	609,960
Sherbrooke	594,041	+41.4	642,365
Quebec	3,911,501	—5.6	4,837,429
Montreal	88,616,484	+23.0	95,603,072
Ottawa	4,542,715	+4.9	4,869,471
Kingston	562,083	+5.0	672,745
Peterboro'	571,117	—3.5	509,550
Toronto	134,480,254	+88.5	113,587,659
Hamilton	3,793,471	—4.9	3,971,164
Kitchener	878,360	—3.7	1,253,618
Brantford	809,308	—3.8	755,508
London	2,478,792	—19.1	2,513,399
Chatham	446,447	+9.0	502,588
Windsor	2,131,121	—10.9	2,360,110
Sarnia	344,368	—12.5	467,800
Sudbury	622,370	+33.9	567,237
Ft. William	516,048	—1.3	664,038
Winnipeg	40,369,712	+11.6	40,623,065
Brandon	249,376	—28.4	306,976
Regina	2,563,147	—17.6	2,886,750
Moose Jaw	4[illegible]9,707	+3.1	581,194
Saskatoon	1,0[illegible]9,955	—19.9	1,242,855
Pr. Albert	1[illegible]1,655	—24.9	255,004
Edmonton	2,8[illegible]7,980	—21.2	9,098,077
Calgary	4,7[illegible]8,443	—8.3	5,102,341
Medicine Hat	1[illegible]9,827	—8.9	225,998
N. W'minster	4[illegible]6,091	—11.1	443,670
Lethbridge	3[illegible].221	+8.8	356,112
Vancouver	15,7[illegible]602	+39.1	15,628,820
Victoria	1,3[illegible]314	+7.8	1,684,332

To Protect Invèstor Want Early Reform Of Companies Acts

Group of Lawyers, Economists and Financiers Suggests Reforms Along the Lines of British Companies Act of 1929

Protection of the investor and creditor by reform of Canadian companies acts and securities acts is the aim of a group of prominent Canadian thinkers who have compiled a list of desirable reforms. This group is comprised of lawyers, economists and financiers.

Investment bankers, for their own good and that of the investment business, are apparently sympathetic with such proposals, judging from interviews obtained by The Financial Post.

The reforms suggested are along the lines of the British Companies Act of 1929. It is felt that the root of abuses in the sale of investments and administration of corporations in Canada lies in the ten provincial and Dominion companies acts. Some of these acts are considered good. Others are keenly criticized. In this connection it is agreed that the chain is not much stronger than its weakest links.

The group suggests that nothing has been done by the various governments responsible for our companies acts, although it appeared last winter that the provincial-Dominion conference had agreed upon reform of the acts.

Basis of Recommendations

A general basis on which their recommendations are based consists of the following:

(1) As little government interference with business as possible, consistent with protection of the investor.

(2) Governments should not attempt to pass on the soundness of securities.

(3) The present difficulties are due to the large mass of uninformed small investors; sellers of securities being in the dual position of advisers and promoters; inability of the investing public to obtain complete or adequate information on securities.

To deal with this situation, reforms have been suggested concerning incorporation and capitalization, accounting methods, and sale of securities. These are summarized below:

Incorporation and Capitalization

(1) As far as possible company legislation in the Dominion and provinces should be on a uniform basis. This would remove difficulties for companies, and would improve administration under the acts. It would also protect the investor from incorporations under the weaker acts, since all would be similar in important details.

(2) Provision that dividends may be declared from money paid for no par shares should be eliminated. Companies should not be allowed to pay dividends from capital surplus.

(3) Restriction should be placed on issue of large blocks of stock for bonus purposes by transferring to the company assets of questionable value. This practice has caused much deception of innocent and uninformed shareholders.

(4) The practice of allowing shares of a company to be issued without voting rights should be discontinued. This has allowed control to be acquired by those with little actual financial stake in the company.

(5) Provision should be made for directors to hold a minimum amount of stock in proportion to total capital so that the practice of using names of inactive and uninterested directors for stock selling purposes would be prevented.

Accounting Practices

At present, this group contends, shareholders cannot get a true picture of a company's position. To alter this, it is suggested that:

(1) Classification of assets and liabilities be more particularized with specific information as to goodwill and current assets.

(2) There should be statement of the basic of valuation of every type of asset. (3) Write-offs should be itemized in profit and loss accounts, particularly for bad debts. Gross or net sales should be shown and the various items deducted.

(4) Clear distinction should be made between capital, capital surplus and earned surplus.

(5) Securities holdings should be shown complete with market quotations where such exist.

(6) It should be certified that there are no concealed assets, or if there are, the percentage which they bear to share capital.

(7) Revenue statement should separate operating profits, dividends and interest from profits on sale of fixed assets and other non-recurring profits.

(8) Auditors should be obliged to file copies of this statement at public record offices.

Sale of Securities

It is considered of prime importance that full publicity should be given to the investor. In connection with the sale of securities, it is suggested that:

(1) Governments should not grant licenses to companies to sell their securities as this implies approval of the issue.

(2) Company should be required to give complete information to the Government.

(3) Period of 30 days should elapse between time of filing complete information with the Government before issues may be sold, and permission to sell should be refused if the information is not satisfactory. No intimation should be given that information on an issue has been approved by the Government.

(4) Seller should be required to give purchaser a copy of information filed with the Government before sale of securities, and at time of delivery.

Additional Information

In addition to the information now required to be filed under securities acts, the following is also considered necessary:

(1) Complete disclosure of the amount of profit on an issue.

(2) Disclosure of the percentage of proceeds of sale accruing to the issuing company.

(3) Full description of the business.

(4) Object of the issue.

(5) Certified statement by chartered accountant covering assets and profit and loss in detail by years, and not shown as an average.

(6) Full particulars of material contracts entered into, or about to be entered into, by the company.

(7) Disclosure of any interest which any director of the enterprise may have in the issuance of securities.

(8) Whether the selling agency is acting as principal or as agent.

(9) Whether the selling agency has any direct or indirect interest in the enterprise.

Government Powers

It is also suggested that the following powers of the Government department dealing with companies would do much to protect the investor:

(1) Power to stop sale of securities with or without giving reasons for the action.

(2) Power to investigate into issue, sale, offering for sale, and disposition of proceeds of sale, of any securities. For this purpose the crown should be given power to summon and enforce attendance of witnesses as courts have in civil cases.

(3) Power to require that underwriting and selling agencies, as well as directors, be made responsible for the truth of statements in prospectuses and selling material. The British system should be copied in this respect. It provides heavy penalties for publication of false or inadequate information. It might also be of assistance if complete information were given about individual directors to satisfy fears of interlocking directorates.

(4) Power to require that bondholders and debentureholders be supplied, on application, with a copy of balance sheet and operating statement.

(5) Power to require that investment trusts be made subject to inspection and control by a special department of the Government as in the case of trust and insurance companies at present.

Power Over Banks

(6) Power to prevent banks from doing a brokerage or bond business directly or indirectly. Bank branches are claimed, by the group, to have sold securities in which banks were directly interested.

(7) Power to prohibit door to door sale of securities.

The suggestions of the group contain provisions both for revision of companies acts and for securities acts. It is also suggested that the Ontario Sale of Securities Act, 1923, 13 and 14 George V, which never came into force, is "very nearly the type of legislation most favored by the group."

In connection with the door to door sale prohibition, it is peculiar that the group feels that in England the small investor has enjoyed protection because he has given his orders to banks. This conflicts with the provision that banks should not do a brokerage or bond business directly or indirectly.

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This Week in Wheat

From Our Grain Correspondent

European Crop Lower

WINNIPEG. — Latest reports from Europe would indicate that the total combined wheat yield of the Continent and of Northern Africa is likely to fall considerably below that of last year. While the total for Danubian countries is likely to be well ahead of last year, the improvement now in sight is much less than appeared likely a few weeks ago, and is not likely to offset the diminution in yield in Western and Southern Europe from the very large crops of last year.

There is no indication that the market anywhere has yet been influenced by discussions at London for reduction of world wheat acreage. The extreme care with which dealers abroad are restricting their forward commitments suggests that care is being taken to have any surplus stocks on hand should any arrangements for reduction of duty, which would lower the value of imported wheat on hand, be arrived at. The uncertainties of exchange developments make all dealers, whether exporters or importers, extremely hesitant about undertaking transactions.

* * *

Eliminate Churchill Exports

EXTRAORDINARILY low water freight rates have about exhausted their effect in promoting the movement of wheat down the lakes, as large supplies are now stored at lower lake ports. Some cargoes have actually moved at 2¾ cents from Fort William to Montreal, and the combined lake and ocean freight rates from Fort William to Liverpool have been as low as 7 cents a bushel or less, by far the lowest cost of such movement on record. With such rates in effect it is difficult to see how much wheat can be moved this summer by the Churchill route, to which attention has just been called by the fact that the harbor there is opening up and becoming clear of ice.

* * *

Crop Prospects Impaired

IT WOULD be more correct to say that the possibilities, rather that the prospects, of the Western crop, have been greatly impaired during the past two weeks. A short time ago an enormous crop was possible, for nothing had yet occurred to prevent the maximum yield from being obtained from practically all the acreage seeded in the West, and the subsequent occurrence of certain weather combinations might have produced the largest crop in the history of the West, in spite of a reduced acreage. But such possibilities could hardly have been described as prospects for the ideal weather combination but seldom occurs. Now dry weather and unseasonable heat, together with fairly extended grasshopper ravages, have definitely destroyed some of the former possibilities, but that is not to say that a good crop may not yet be harvested.

The bountiful extent of early rains led to the belief that rainfall throughout the growing season would be plentiful, and that as the first moisture was evaporated from the soil it would be returned again in later rains. The belief was based upon a good deal of knowledge of Western weather conditions, for it would seem that in Western Canada Nature uses the same moisture over and over again in rainfall. The actual run off of water from the prairies is comparatively slight, for the rivers which drain it deliver at their mouths not a great deal more water than is received by them at their principal sources in the Rocky Mountains. Thus, one good rain is regarded as the natural forerunner of another one, while drought, on the other hand, tends to intensify itself.

Contrary to expectations, however, the heavy rains of the early spring, which provided enough moisture to carry the crop past the middle of June, have not been succeeded yet by sufficient rainfall to carry the crop through the growing season. On the other hand, excessively hot weather coming earlier in the season than is customary has put a heavy drain upon the reserves of moisture in the soil, and has tended to force the development of the wheat plant more rapidly than is usually considered desirable.

* * *

Alberta Chief Sufferer

SOUTHERN ALBERTA is the region which has probably complained most of recent dryness, just as it was the region where not long ago the greatest confidence was felt as to the harvesting of a bumper crop, but some disappointment is felt over practically all of the West.

Southern Alberta, too, has suffered so far, more from the ravages of grasshoppers than any other area. Just how serious those ravages are going to be is yet to be determined. Some small areas in each province have had crops totally destroyed, but this is exceptional. A tremendous campaign of poisoning is being waged by some tens of thousands of farmers, distributing hundreds of car loads of poison mixtures around the edges of threatened fields, in order to keep out invasion from grasshoppers which, as a rule, have been hatched in adjacent grass. The poison is killing millions, and as many as 120 dead hoppers to the square foot have been reported, but the potential production of hoppers from eggs laid last year was far greater than that.

* * *

Growth Ahead of Last Year

WHERE the grain can make sufficiently rapid growth to develop tough stems before attacked, and where adjacent grass provides sufficient to satisfy the appetites of the pests for a time, there is greater hope of escaping serious injury. Rain and cool weather in addition to promoting growth checks the activities of the hoppers, as hot, dry weather encourages them. Grasshoppers, it must be remembered, although present in very large numbers in all three provinces, are not thought to be serious on more than twenty per cent of the total crop area. Their total activities are hardly likely to result in less destruction than would be equivalent to the yield of a million acres, while it is possible for the damage to run several times that extent.

In spite of all the damage so far done, the total growth in Western Canada, of grain and grass crops, is far ahead of what it has been at this time during any of the past four years, because of the great area of Saskatchewan which has been doing well instead of being drought stricken. Recent travel through that territory, with green growth stretching for many miles in country which for several years presented the appearance of a desert, has shown the great contrast of this season to recent ones, and has shown farmers in a hopeful attitude.

* * *

Australia Holds Key

AUSTRALIAN conditions may yet prove the key to important changes in the wheat picture. Drought conditions there have now been long continued, and the most recent reports are that another two weeks without extensive rainfall would make production of a satisfactory crop almost impossible. While direct reports of conditions to this continent are unsatisfactorily meagre, it is significant that Liverpool now begins to be much impressed by the situation.

For the past three years Australia has averaged a total production in excess of 200,000,000 bus. annually, creating the ability to export more than 100,000,000 bus. yearly. Even moderately adverse conditions could reduce total production to 150,000,000 bushels, cutting the export surplus in half, while a repetition of conditions such as have frequently been experienced could almost entirely wipe out the export surplus.

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ASSETS
Real Estate .... $ 85,379.38
Mortgage Loans $166,725.38
Bonds and Debentures ... 496,888.64
Stocks 101,780.66
765,394.68
Cash 2,899.82
Trust Co. Deposit 20,000.00
Cash on Hand—Regina .. 7,510.78
30,410.60
Interest due and accrued 31,964.53
Agents' Balances 83,642.07
Unpaid Assessments 1932 .... 174,736.79
Other Assets 30,340.64
$1,201,868.69

LIABILITIES
Provision for unpaid claims $ 86,456.37
Reserve of Unearned Premiums at 80% 463,766.62
Reserve for Unlicensed Reinsurance 43,028.66
Accrued Taxes 20,000.00
Borrowed Money 3,700.00
Reinsurance Premiums 4,087.12
Investment Reserve 26,261.80
Accounts Payable 1,752.63
Surplus 552,815.49
$1,201,868.69

Unassessed Premium Notes $1,698,103.40

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Grain and Milling in Canada

WORLD OUTLOOK FOR WHEAT CROPS VERY UNCERTAIN

No Indications of Bumper Crops From Large Growers, However

In no month throughout the year is there greater uncertainty with regard to the wheat situation than in June, as in all wheat producing countries throughout the world the new season's crops are in process of growth. Any predictions, therefore, made at this time with regard to the coming crop year are hedged about with uncertainty, according to the monthly wheat review of Dominion Bureau of Statistics, dated June 19.

Of the growing wheat crops, the United States winter wheat crop is probably the most clearly defined at the present time. The winter wheat areas of the United States have experienced adverse conditions since seeding last fall and the United States Department of Agriculture estimates that winter wheat production will amount to 341 million bushels compared with 462 million bushels last year and an average crop of about 575 million bushels. On the basis of this estimate and an average spring wheat crop, 1933 production in the United States will not be sufficient for domestic needs and the accumulated surplus will be drawn upon to some extent.

Early Canadian Reports

The spring wheat crops of Canada and the United States are in their early stages of development and at the moment the outlook for the Canadian crop is probably more favorable than that for the crop to the south. The critical period in North American spring wheat crops lies ahead, however, and current reports must only be taken to indicate a favorable start.

No indications of crop disasters or abundant yields are present among European crops and the situation there is very indefinite. After four years of exceptionally high yields it is probable that 1933 will be poorer and there is already evidence to support this view as far as the current year is concerned. Early reports from France, Germany, Italy and Spain indicate smaller production this year than last although Danubian countries will probably produce more wheat than last year.

Russian Acreage Up

Lack of proper cultivation and excessive weed growth will probably offset the advantages of an early spring and increased acreage as far as Russia is concerned. Australia is suffering from a severe drought which has delayed seeding and although some rain has been received considerably more is urgently needed. Reports from the Argentine are favorable with ample moisture for farmers' needs.

In addition to the uncertainty of the growing crops it is difficult to accurately gauge the situation which will exist at the end of the present crop year. It is improbable that world wheat requirements will come up to Mr. Broomhall's estimate of 664 million bushels and consequently it is probable that year-end stocks will be higher than expected earlier in the crop year. Carryover in the United States will be only slightly smaller than last year while the surplus in Canada and the Argentine will be greater. Australia has counteracted the restricted demand for wheat in Europe by large sales in the Orient and will have a very small carry-over at the end of July.

London Doubts Russia Buying Canada Wheat

C. F. G. Raikes, manager of the European branch of the Northwestern Miller scouts the possibility that Russia is buying wheat from Canada, in the current issue of that periodical.

Mr. Raikes' comment is as follows: "The rumor that the Russian Soviet has bought several cargoes of Canadian grain is not taken seriously by the trade in London. Although the rumor is persistent no one seems able to confirm it actually. It smacks somewhat of the rumor that was abroad during the early part of the war that the Russian army was passing through England. At that time the story was whispered into one's ear by some one whose friend had a friend who actually had seen the Russian soldiers arriving.

"The present rumor is to the effect that four cargoes of Canadian wheat have been purchased on cash terms, which are destined for Leningrad. It is stated that owing to the British embargo on Russian goods the Soviet authorities will not make purchases through England, but prefer to fill their requirements for various grains in the markets of the United States."

Winnipeg Grain Prices

Week to June 20

Crop year from Aug. 1, 1932 High	Low		Open June 14	High for week	Low for week	Close June 20
		Wheat				
.67¾	.41⅝	July	.64⅝	.67	.63¾	.65¾
.69⅞	.46⅝	October	.67	.69½	.66⅛	.67⅞
.70¾	.65	December	.67⅛	.70¾	.67½	.69¼
		Oats				
.30¼	.21½	July	.28⅛	.29⅝	.27⅝	.28⅛
.31⅝	.21⅞	October	.29½	.31¾	.28⅝	.30⅝
.31	28½	December	..	.31	.28½	.30⅝
		Barley				
.40	.26	July	.37⅝	.40	.36	.37½
.41	.27¼	October	.39⅛	.39⅝	.37⅝	.39½
.40½	.39⅝	December	..	.40⅝	.39⅝	.40
		Flax				
1.33	.71⅝	July	1.28¾	1.31½	1.25¾	1.29⅛
1.35	.76	October	1.29¾	1.33½	1.27	1.30⅞
1.33⅛	1.22½	December	1.28½	1.33½	1.26	1.30¼
		Rye				
.58½	.31	July	.43¾	.58½	.48¼	.51⅞
.56½	.34	October	.52⅛	.56½	.50⅝	.54¾
.57½	.52⅛	December	.53⅛	.57½	.52⅛	.55⅝

Last Year's Crop Estimate Looks 10,000,000 Bu. Small

Indication that the Dominion Bureau of Statistics January estimate of the 1932 wheat crop in the Prairie Provinces at 408,400,000 bushels, was too low by about 10,000,000 bushels is shown by the latest figures on wheat deliveries combined with the Dominion estimate of amount disposed of by farmers for seed and feed.

An estimate of amount disposed of by farmers based on 1933 intentions to plant and preliminary feed figures places the total used in this way at 60,630,000 bushels, leaving 347,770,000 bushels to be delivered by farmers for sale. As 341,890,000 bushels had already been delivered to June 2 this leaves only 5,880,000 bushels to be delivered during the remainder of the crop year. During this period in 1932, however, 17,561,000 bushels were delivered so that a repetition of this total would result in the necessity of revising the estimate upward by 10 million bushels.

Provincial figures, shown in the following table, indicate that the Saskatchewan crop was rather underestimated and that Alberta has to deliver about 8,000,000 bushels in order to fulfill the January estimate.

Canadian Wheat Situation at June 2, 1933

	Jan. Estimate bu.	Est. Farm Disposition bu.	Balance Deliverable bu.	Deliveries Aug. 1, 1932 to June 2, 1933 bu.
Manitoba	42,400,000	6,343,000	36,057,000	35,042,000
Saskatchewan	202,000,000	31,742,000	170,258,000	173,411,000
Alberta	164,000,000	22,545,000	141,455,000	133,437,000
Total	408,400,000	60,630,000	347,770,000	341,890,000

U. S. A. TO START WHEAT BONUSING WITHIN A MONTH

Reduced Acreage Plans Issued — Farmers Get 30c a Bushel

Operation of the $150,000,000 farm relief plan under which, the United States wheat growers who agree to curtail crops, will be bonused, is to become operative soon after July 1, according to a recent announcement by Secretary of State Wallace.

The acreage reduction and allotment provision of the Farm Relief Act will be applied to the wheat crops of 1934 and 1935 and the sum of $150,000,000 will be raised by a processing tax of about 30c. a bushel levied against millers. By September 15, two-thirds of the $150,000,000 will have been distributed among wheat growers who have complied with the Government terms.

Eligibility to share in this distribution requires that growers agree to reduce planting up to a maximum of 20 per cent next year. The exact reduction called for will depend on the outcome of the negotiations at the Economic and Monetary Conference for joint international action to reduce world wheat production. It is possible that no reduction actually will be required. Present indications are that a 15 per cent reduction is under consideration at London and if this is achieved it will change the terms of the United States proposal.

No Reduction This Year

No attempt will be made to reduce the already planted and growing 1933 crop although the bonuses embrace this year. The exact amount of the processing tax will not be known until actual operations are begun, but on the basis of prices paid for wheat on farms for the first half of June the tax will be about 30c. This calculation is based upon the difference between the current farm price and the established average price in 1909-14 which is the base period on which the parity plan is operating.

The amounts to be paid to each individual wheat grower will be determined on the basis of his average production for the past three years and the percentage of that production which went into domestic consumption. Average annual output for the United States in that period was 800,000,000 bus. and of this amount about 500,000,000 bus. went into domestic consumption. From this basis the administration has produced a formula under which the individual growers will receive 30c. on five-eighths of their production for the last three years. Thus, if the grower's average production from 1930 to 1933 was 1,000 bushels, he would be entitled to benefit this year in payments aggregating $187.50. It is explained that the processing tax is not to be superimposed on the current market price for wheat. The farmer will continue to sell his wheat for whatever the farm price happens to be and the miller will continue to buy at the current market. The processing tax will be added to the price of flour when sold by the miller. It is estimated that the price of a one pound loaf of bread will be increased by about half a cent by a result of the processing tax.

Seed Demands Indicate Big Agricultural Revival

In the first two weeks of May, over 24,000 bags of potatoes and a ton of vegetable seeds had been distributed by the Department of Agriculture in Newfoundland to aid in the agricultural revival which has been sweeping this colony in the last year or two.

So great was the demand that some lines of vegetable seeds were rapidly exhausted and the Department was forced to place another large order of seeds which are being obtained from St. Catharines, Ontario.

Western Fair Dates Set From September 11 to 16

September 11 to 16 are the dates set for the Western Fair, held annually in London, entries for the many different classes closing on August 31.

Western Fair was established in 1867 and is therefore one of the oldest and is also one of the best known agricultural fairs in the Dominion. Office of the Western Fair Association is in the Richmond Building, Richmond Street, London, Ont.

Crop Prospects

Cooler Weather Stops Wastage Prairie Crops

From Our Own Correspondent

WINNIPEG.—A change to cooler weather at the beginning of this week checked the damage from excessive heat to the prairie crops. While over widespread areas reports have been received of considerable deterioration both from heat and from long continued dryness, there seems to have been some tendency to exaggeration on this account, and to consider rather what the damage would be should such conditions continue, rather than what had actually been done.

Rains are required either immediately or in the near future over great stretches of the country but good rains soon would make a great difference. It is to be remembered that the wheat belt covers a very wide area and at the time of year when unfavorable reports begin to come in, those from the worst districts are likely to receive the most attention.

While anything like a bumper yield for the West is out of the question, a fairly satisfactory total, given good weather from now on, is a reasonable expectation.

CRITICAL POSITION OF WEST STRESSED

Five Days of Heat Have Withered Large Acreage

Although the latest report from our own correspondent in Winnipeg indicates that the heat wave which menaced the wheat producing areas of the Prairie Provinces has been broken, and cooler weather now is general, the report of the Dominion Bureau of Statistics dated June 20 stresses the critical situation and states that rain is urgently required to prevent a crop-destroying drought.

Five days of withering heat have already burned hundreds of acres of wheat, particularly in Southern Alberta, and throughout the West crop damage from heat and grasshoppers can only be stopped by a general rain, the report states. Almost without exception, the bureau's hundreds of correspondents reported losses through heat, grasshoppers and hail.

Some hope was held out owing to the weather forecast of fair and cool weather, but general rain is needed before the turn can be called. Hot winds have been general and these have reached gale velocity in Manitoba.

In addition to heat, grasshoppers are causing concern in Manitoba, while wireworms are doing considerable damage in Saskatchewan and Alberta. Rotroots caused excessive damage in Saskatchewan, while hail fell at points all over the West, though its damage is not considered either severe or permanent at the present stage of wheat growth.

ARGENTINE EXPORTS OF WHEAT DECLINE

Balance for Exports Now Placed at 69 Million Bushels

Just over 69,000,000 bushels of Argentine wheat remained available for export at May 31, according to the crop report of the Dominion Bureau of Statistics correspondent in Buenos Aires. Exports during May amounted to 15,652,944 bushels, a decrease of rather more than 10 per cent from the total of 17,269,680 bushels shipped out in the month of April.

It is the general opinion in Buenos Aires, according to the correspondent, that the decrease in volume of wheat shipped abroad noted in both May and April will be accentuated in the coming months and that there will be little pressure of the Argentine grain on the European market. There are some large amounts of Argentine wheat lying unsold in continental ports and there is little desire to add to them.

Work on the seeding of the new crop of wheat is proceeding steadily the conditions being on the whole quite favorable for its progress. There were heavy rains over practically the whole cereal area in the latter half of May. Generally, rains were beneficial and were sufficient to ensure an ample supply of ground moisture for some time to come.

It is a little early to give consideration to the probable extent of the acreage sown to wheat but if the favorable conditions which have hitherto prevailed continue it is very unlikely that there will be any reduction in the Argentine acreage in the coming year. In fact, an increase is not an impossibility although the recent rise in the price of linseed has made this less likely.

Canada Supplying Half of Britain's Wheat Needs

British wheat imports in May amounted to 18,780,751 bushels, of which 7,567,583 bushels were from Canada representing 40 per cent of the total. During the corresponding month of 1932, British imports amounted to 16,465,447 bushels, of which 6,683,126 bushels were from Canada.

During the current crop year to the end of May, Britain has imported 172,108,938 bushels of wheat as compared with 192,718,494 bushels in the same period of 1932. Of the 1933 total, 52 per cent or 88,822,656 bushels has been supplied by Canada.

Wheat Exports By Broomhall Not Realized

World wheat shipments of 16.6 million bushels per week are required from now until the end of the crop year to fulfill Mr. Broomhall's estimate of world requirements, compared with a rate of shipments during the portion of the crop year already past of only 12.2 million bushels per week.

Estimates of world requirements for the crop year 1932-33 made by Mr. Broomhall placed the total at 664 million bushels. European requirements are estimated at 480 million bushels while ex-European requirements are estimated at 184 million bushels.

As at June 11, the position of this estimate was as follows: shipments in 45 weeks, 548 million bushels or 12.2 million bushels weekly; balance to be shipped in 7 weeks, 116 million bushels or 16.6 million bushels weekly.

Toronto House Surveys Construction Industry

A survey of the construction industry and its future prospects has been compiled and issued by Brawley, Cathers & Co., Toronto. The survey includes charts which show the housing situation in Toronto and the volume of building contracts awarded in Canada over a period of 20 years. A summary of the position of the principal companies engaged in the industry that have securities in the hands of the public is also included for the convenience of investors.

While no prediction is made as to when the construction industry will show improvement the facts presented indicate a need for certain types of buildings that must eventually be filled.

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Exporters and Shippers
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Smith Murphy Co. Inc., 510 Produce Exchange
Head Office: 919 Grain Exchange, Winnipeg
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A. J. Pattison, Jr. & Co. LIMITED
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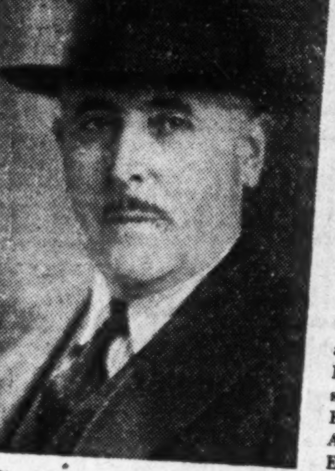


J. K. Ross-Duggan, Editor of "Canadian Trade Abroad"—Canada's National Export Paper—is leaving immediately for United Kingdom and Continental Europe to make a survey of these important markets for Canadian export products. His services are at the command of all Canadian manufacturers desirous of developing export trade. Address your enquiries to "Canadian Trade Abroad," 481 University Avenue, Toronto, or temporary address at "Canadian Trade Abroad," Sun Life of Canada Bldg., Cockspur Street, London, S.W. 1, England. Cable address: Atabek, Lesquare, London, England.

"Canadian Trade Abroad"

CAN. WINERIES RECENT SALES ARE IMPROVED

Earned 7c Per Share in Year Ended April 30; 20c in 1931-32

Earnings of Canadian Wineries Ltd. dropped to $45,212 in the year ended April 30, 1933, as a result of disappointing business in the first quarter of 1933. Earnings compare with $57,719 in the preceding year. Business during April and May is reported to have shown marked improvement and the company is continuing to secure an increasing proportion of business available so that directors feel justified in paying a dividend of 10 cents per share.

Net profit in the year just ended was $7,155 after depreciation and income tax or 7.1 cents per share against 21 cents per share the previous year. Deficit after paying dividends of $15,000 was $7,845. In the last fiscal year the company was taxed to the extent of $113,278. Income and surplus acount is as follows:

CONS. INCOME & SURPLUS ACCOUNT
Years Ended April 30

	1933	1932
	$	$
Net earn. from oper.	45,212	57,719
Less: Deprec.	35,710	33,827
Income tax	2,347	2,971
Net profit	7,155	20,921
Less appropriations:		
Dividends	15,000	35,002
Surplus for period	*7,845	*14,081
Add: Prev. surplus	110,907	128,582
Less: Inc. tax adj. prior years	917	3,593
Bal. carried fwd	102,145	110,908

*Deficit.

Working capital position has been retained although ratio of current assets to current liabilities is lower. Bank loan of $45,000 is due to the making of recent major sales contracts on a six months basis instead of one month as formerly. This bank loan has since been reduced. Current assets include cash of $5,755, down from $20,569; accounts receivable of $129,716, up from $80,428; and stock of wines and supplies at $511,173. In addition to the bank loan, current liabilities include trade and sundry creditors who are owed $63,736. Working capital position is as follows:

Working Capital
As at April 30

	1933	1932
	$	$
Current assets	646,644	623,336
Current liabilities	112,296	80,472
Working capital	534,348	542,864
Ratio	5.75—1	7.75—1

Fixed assets are carried at $577,370 after deducting depreciation reserve of $191,513. Non-current liabilities include notes payable of $13,750 and mortgage payable of $8,250. There are outstanding 100,000 shares of no par value stock.

Note: See Page 2 for information as to how a complete analysis of this company can be obtained.

LANGLEY'S SHOWS LOWER EARNINGS

Working Capital is Reduced But Strong; at $114,211

Net operating profit of Langley's Ltd. was $23,145 in 1932 against $88,409 in 1931. Miscellaneous income increased net earnings to $28,238 which was $14,169 short of covering depreciation reserve, interest and exchange. Payment of a half year's dividend on the preferred stock increased deficit for the year to $40,169. The company operates a cleaning and dyeing business in Toronto, Hamilton and Kitchener, Ont.

Income and surplus account for 1932 and 1931 is as follows:

Cons. Income and Surplus Account
Years Ended December 31

	1932	1931
	$	$
Net oper. prof.	23,145	88,409
Add: Misc. inc.	5,093	5,613
Net earnings	28,238	94,022
Less: Int. & exch.	1,695	402
Deprec. res.	45,712	48,898
Inc. tax res.	......	3,848
Net profit	*19,169	40,874
Less appropriations:		
Pref. divds.	21,000	42,000
Surplus for year	†40,169	†1,126
Add: Prev. surp.	136,244	141,550
Less: Sundry adj.	757	*4,180
Bal. car. for.	95,318	136,244

*Includes prior year's tax adjustment.
†Deficit.

Working capital was reduced to $114,211 from $134,358. Current assets totalled $150,251, including cash at $3,061; bonds and debentures at $78,303; accounts receivable of $31,904 and inventories of $36,984. Current liabilities amounting to $36,041 include bank advances of $7,000; accounts payable of $27,790 and income tax provision of $1,250.

Fixed assets are carried at $1,304,571 against which a depreciation reserve of $262,254 is shown. Life insurance premiums, etc., are carried at $26,844 and deferred charges at $11,947. Preferred stock to the extent of $10,000 has been redeemed leaving $390,000 outstanding with 20,793 shares of no par common stock.

Note: See page 2 for information as to how a complete analysis of this company can be secured.

BREWING CORP. TAXES ABSORB ALL EARNINGS

Loss Greater in 10 Months of 1932 Than in 1931; Issues Debentures

The annual statement of Brewing Corp. of Canada Ltd. clearly indicates the burden of taxation that rests on the brewing industry. In the 10 months ended October 31, 1932, profit from operation was $1,248,977 and Dominion, provincial and municipal taxes were $1,217,958, not including income tax. Margin of profit to cover depreciation interest charges was only $31,019 and after providing for these charges a loss of $319,073 was reported for the period as compared with a loss of $235,509 in the full year of 1931.

No indication is given as to the reduction in volume of beer sold although it is stated that in 1932 the volume of beer sold in Canada was 20 per cent under that of 1931 and that total decline from 1929 was over 30 per cent. Decline in the first six months of the current fiscal years is stated to be 20 per cent under the same period a year ago but the company's position in the first seven months of the current fiscal year has been improved through introduction of economies.

Consolidated income and surplus account of the company for the past two fiscal periods is as follows:

CONS. INCOME & SURPLUS ACCOUNT

	10 mos. ended Oct. 31 1932	Year ended Dec. 31 1931
	$	$
Earn. from oper.	1,248,977	1,705,022
Less: Dom., prov. & mun. taxes, not incl. Dom. inc. tax	1,217,958	1,558,425
Profit before depr., etc.	31,019	146,597
Less: Deprec.	284,212	323,916
Bk. & other int.	56,212	69,319
Prelim. & incorp. exp. w/o	5,631	5,927
Net oper. loss	313,036	252,565
Less: Misc income	481	29,964
Add: Dom. inc. tax	4,518	12,908
Net loss for year	319,073	235,509
Appropriations:		
Less: Minority int. in net loss	9,962	10,273
Add: Pref. divd.	....	90,754
Deficit for year	309,111	315,990
Add; Prev. deficit	496,591	180,601
Deficit carried fwd.	805,702	496,591

Working capital shows further reduction as a result of retiring $50,000 of notes but sale of an issue of debentures, subsequent to Oct. 31, 1932, has improved this position. At Oct. 31 cash had been reduced to $22,088 from $114,122 at the end of 1931; investments were down to $88,818 from $124,150. Bills and accounts receivable are shown at $257,394 and inventories at $1,025,470. Bank loans were reduced to $498,168 from $566,254 but accounts and bills payable were up to $434,027 from $230,501. Working capital position is as follows:

Working Capital

	1932	1931
	$	$
Current assets	1,393,769	1,614,215
Current liabs.	932,195	796,755
Working capital	461,574	817,460
Ratio	1.49—1	2.03—1

Fixed assets are carried at $4,630,582 after reserve for depreciation of $1,826,705 is deducted. Property not used in business and other investments at book value are shown at $169,645, down from $267,016. Mortgage payable remains at $61,107; reserve for government tax claims, contingencies and income taxes is down to $258,026 from $424,996. Serial 5 per cent notes, due 1932-1936, are down to $450,000, while minority interest in subsidiaries is down to $155,116 from $192,164. There are outstanding 146,056 shares of preferred stock and 267,049 shares of common stock of no par value.

Note: See Page 2 for information as to how a complete analysis of this company can be obtained.

Elect Two New Directors At United Fuel Meeting

Judge J. G. Gauld and T. P. Pinckard have been elected directors of United Fuel Investments Ltd., replacing R. L. Bevan and A. T. Leavitt. Directors re-elected at the annual meeting held recently were S. A. Morse, A. F. White, G. H. Cassels, K.C., G. R. Cottrelle and J. A. Fraser. Judge Gauld is vice-president and advisory counsel, and Mr. Pinckard is vice-president and general manager of United Gas & Fuel Co. of Hamilton, Ltd., subsidiary of United Fuel Investments Ltd.

It was intimated by Mr. Pinckard that there have been recent improvements in costs and in the general condition of most departments. Exchange costs on coal from the United States have been heavy, however. Nova Scotia coal has been found unsatisfactory, but if sterling exchange is so regulated as to make the change feasible, British coal will be used in preference to that from the United States. He reported a new outlet for coke, for use in the melting of steel. Sulphate of ammonia and tar markets have shown no improvement, owing to world market conditions. Rates for gas are too low, but the company has an expanding market under its low price policy.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING JUNE 19

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass pref.	7%	1¾%	July 3	June 15
Associated Breweries, pref.	$7	$1.75	July 3	June 15
Brit. Amer. Oil (13)	80c	20c	July 3	June 15
B. C. Power "A"	$2	50c	July 15	June 30
Bank of Nova Scotia	12%	3%	July 3	June 15
Brazilian Traction, pref.	6%	1½%	July 3	June 15
Bell Telephone	$6	$1.50	July 15	June 23
Building Products "A" & "B"	$1	25c	July 3	June 20
Brantford Cordage, pfd.	8%	2%	July 15	June 20
B. C. Elec. Pwr. & Gas, pfd.	$6	$1.50	July 3	June 20
Burt, F. N.	$2	50c	July 3	June 15
Do., pref.	$7	$1.75	July 3	June 15
Can. Northern Pr.	80c	20c	July 25	June 30
Do., pref.	$7	$1.75	July 15	June 30
Can. For. Invest. pref.	$8	‡$4	June 18	June 1
Can. Canners 1st pfd.	6%	1½%	July 3	June 15
Do., 2nd pfd.	20c	5c	July 3	June 15
Can. Perm. Mortgage	10%	2½%	July 3	June 15
Canadian Car, pref.	$1.75	44c	July 10	June 26
Can. Cottons, pref.	6%	1½%	July 4	June 17
Canadian Oil pref.	8%	2%	July 1	June 20
Can. Celanese, pref.	$7	$1.75	June 30	June 17
Do., on arrears	...	$1	June 30	June 17
Calgary Power, c.	6%	1½%	July 3	June 15
Central Can. Loan	$8	$2	July 3	June 15
Can. Gen. Electric	$3	75c	July 3	June 15
Do., pref.	$3.50	87½c	July 3	June 15
Can. Wineries	20c	10c	June 19	June 15
Canada Bread 1st pfd.	$3	75c	June 30	June 20
Canada Bud	60c	15c	July 15	June 30
Canada Packers pfd.	$7	$1.75	July 3	June 16
Do., on arrears	...	$1.75	July 3	June 16
Can. Gen. Investments (No. 20)	30c	7½c	July 15	June 20
Can. Converters	$2	50c	Aug. 15	July 31
Can. Fairbanks, pfd.	$6	$1.50	July 15	June 30
Dominion Glass	$5	$1.25	July 3	June 15
Do., pref.	$7	$1.75	July 3	June 15
Dominion Bank	10%	2½%	July 3	June 20
Dome Mines	$1	25c	July 20	June 30
Do., extra	...	25c	July 20	June 30
Dominion Textile	$4	$1	July 3	July 15
Do., pref.	7%	1¾%	July 15	June 30
Dominion Stores	$1.20	30c	July 3	June 15
East. Theatres, pref.	$7	$3.50	July 31	June 30
Edmonton C. Dairy, pfd.	6½%	1⅝%	July 3	June 15
Fanny Farmer	$1	25c	July 1	June 15
Do., pref.	$2.40	60c	July 1	June 15
Freiman, A. J., pref.	6%	1½%	July 3	June 15
General Trust pfd.	6%	1½%	July 3	June 26
Grey & Bruce Trust	$2	$1	June 30	June 20
Gurd, Chas., pref.	7%	1¾%	July 3	June 20
Goderich Elevator	50c	25c	July 2	June 15
Goodyear Tire	$2.40	60c	July 3	June 15
Do., pref.	$7	$1.75	July 3	June 15
Huron & Erie Mtge.	$7	$1.75	July 3	June 15
Hunt's "A" & "B"	50c	12½c	July 3	June 17
Inter.-Hydro Elec. pfd.	$3.50	87½c	July 15	June 27
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 3
Imperial Bank	$10	$2.50	Aug. 1	June 30
Intercolonial Coal	$1	50c	July 3	June 21
Do., pref.	$8	$4	July 3	June 21
Invest. Foundation, pfd.	$1.50	38c	July 15	June 30
Do., on arrears	...	12c	July 15	June 30
Jamaica Pub. Ser.	$1	25c	July 3	June 15
Do., pref.	7%	1¾%	July 3	June 15
Landed Bkg & Loan	6%	1½%	July 3	June 15
Mitchell, J. S., pfd.	7%	1¾%	July 3	June 16
McColl-Frontenac, pfd	6%	1½%	July 15	June 30
Montreal C. & D. Bank	$12	$3+$1	July 3	June 15
Montreal L. H. & P.	$1.50	38c	July 31	June 30
Montreal Telegraph	$3.20	80c	July 15	June 30
New England Power	$2	50c	July 1	June 30
Do., pref.	$6	$1.50	July 1	June 30
Do., pref.	$2	50c	July 1	June 30
National Biscuit, c.	$2.80	70c	July 15	June 16
National Breweries	$1.60	40c	July 3	June 15
Do., pref	$1.75	44c	July 3	June 15
Noranda Mines (interim)	...	50c	July 10	June 13
Northern Ont. Power	$2	50c	July 25	June 30
Do., pref.	$6	$1.50	July 25	June 30
National Grocers, 2nd pfd.	7%	1¾%	July 1	June 20
National Trust	$8	$2	July 3	June 20
Nova Scotia L. & Pr. c.	$3	75c	July 3	June 17
Niagara W. Weav. pfd.	$3	75c	June 30	June 23
North Star Oil, pref.	35c	8¾c	July 3	June 22
Ogilvie Flour c.	$8	$2	July 3	June 22
Ottawa L. H. & Pr.	6%	1½%	June 30	June 15
Do., pref.	6½%	1⅝%	July 1	June 15
Ontario Loan & Deb.	12%	3%	July 3	June 15
Premier Gold Min.	12c	3c	July 3	June 12
Page-Hersey	$3	75c	July 1	June 20
Do., pref.	7%	1¾%	July 1	June 20
Pioneer Gold (B.C.)	60c	15c	July 3	June 10
Porto Rico Power, pfd.	7%	1¾%	July 3	June 15
Provincial Paper, pfd.	7%	1¾%	July 3	June 15
Robinson Cons. Cone	$1	25c	July 3	June 15
Real Estate Loan	5%	2½%	July 3	June 15
Riverside Silk "A"	$2	25c	July 3	June 19
Silverwoods, pref.	4%	1%	July 3	June 15
Southern Can. Power pfd	6%	1½%	July 3	June 15
Supertest Pete. pref "A"	7%	1¾%	July 15	June 20
Do., pref. "B"	6%	1½%	July 3	June 15
Do., com. and ord.	$1	25c	July 3	June 15
Tamblyn, Ltd., pfd.	$7	$1.75	July 3	June 15
Teck-Hughes	60c	15c	Aug. 1	July 13
Thrift Stores	...	†10c	July 1	June 20
Tuckett Tobacco, pref.	7%	1¾%	July 15	June 30
Toronto Gen. Trusts	$8	$2	July 3	June 17
Toronto Mortgage	$6	$1.50	July 3	June 15
Thayers, Ltd., pfd.	$3.50	$1.75	July 3	June 21
Western Grocers, pref.	$7	$1.75	July 15	June 20
Wright-Hargreaves	20c	5c	July 3	June 10
West. Kootenay Pr., pfd.	7%	1¾%	July 3	June 23
Weston, George, c.	$7	25c	July 1	June 20
Whittall Can., pfd.	$6.50	$1.62½	July 3	June 15

†Initial.
‡Paid on account of arrears covering 6 months end Dec. 31, 1932.

Dividend Rate Increased:
Pioneer Gold (B.C.) July 3, 24c to 60c per annum.
Grey & Bruce Trust, June 30, $1 to $2 per annum.

Dividend Rate Reduced:
Bk. of Nova Scotia, July 3, 14% to 12% per annum.
Real Estate Loan, July 3, 7% to 5% per annum.
Can. Gen. Electric, c., July 3, $4 to $3 per annum.
Nova Scotia L. & Pr., c., July 3, $4 to $3 per annum.
National Trust, July 3, $10 to $8 per annum.
Canada Bread, 1st pfd. June 30, $4 to $3 per annum.
Intercolonial Coal com. July 3, $1 to 50c. half-yearly.
Can. Gen. Investments, July 15, 40c to 30c per annum.

Dividends Resumed:
Niagara Wire Weaving, pref., June 30, 75c. Last payment 75c June 30, 1932.
Whittall Can. pref., July 3, $1.62½. Last payment $1.62½ July 2, 1931.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.
June 20, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	88.50	5.33
Alberta	5	1 July, 1943	1 July	96.00	5.53
Alberta	6	1 Mar., 1947	1 Sept.	102.00	5.79
*British Columbia	4½	1 Oct., 1953	1 Oct.	89.00	5.40
*British Columbia	5	15 Jan., 1948	15 July	95.00	5.49
British Columbia	6	15 Feb., 1947	15 Aug.	102.00	5.79
Manitoba	4	1 July, 1947	1 July	83.00	5.79
*Manitoba	5	2 Dec., 1959	2 Dec.	94.00	5.43
Manitoba	6	1 Apr., 1947	1 Oct.	100.00	6.00
*New Brunswick	4	1 June, 1948	1 Dec.	92.00	4.75
*New Brunswick	4½	15 June, 1936	15 June	100.00	4.75
New Brunswick	5½	1 May, 1950	1 Nov.	105.50	5.01
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.00	4.50
Nova Scotia	5	1 May, 1943	1 Nov.	102.00	4.75
*Ontario	4½	1 Sept., 1944	1 Sept.	101.50	4.33
Ontario	5	15 Oct., 1948	15 Oct.	104.50	4.59
Ontario	5½	1 Feb., 1947	1 Aug.	108.25	4.69
P. E. I.	4	1 Apr., 1939	1 Oct.	95.60	4.85
P. E. I.	6	1 May, 1947	1 Nov.	111.05	4.90
*Quebec	4½	1 May, 1961	1 Nov.	101.00	4.19
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	87.50	5.47
*Saskatchewan	5	1 Nov., 1959	1 Nov.	92.50	5.54
Saskatchewan	6	15 Mar., 1952	15 Sept.	99.50	6.04
*Newfoundland	5	31 Dec., 1952	30 June	76.00	7.32
*Newfoundland	5½	1 July, 1939	1 July	78.00	10.53
*Newfoundland	6½	30 June, 1936	30 June	87.00	11.76
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	103.19	4.80
*Toronto	4½	1 Jan., 1955	1 July	99.00	4.57
*Vancouver	5	15 Jan., 1970	15 July	88.56	5.75
Winnipeg	5	1 Mar., 1944	1 Sept.	92.00	6.00
*Edmonton	5½	1 Apr., 1947	1 Oct.	90.90	6.50
Calgary	5	1 Jan., 1943	1 July	84.75	7.25
Halifax	6	1 July, 1951	1 July	113.05	4.90
Saint John	5	15 Dec., 1950	15 June	101.17	4.90
Regina	4½	1 July, 1950	1 July	75.00	7.00
Victoria	5	21 July, 1945	21 July	91.30	6.00
Quebec	5	1 June, 1948	1 Dec.	101.50	4.86

*Payable in New York.

Listed Bond Quotations

Week Ending June 19, 1933

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Range, 1933 Low
Montreal								
Abitibi, 1st mtge.§	5	1953	...	22½	...	...	18	13
Asbestos	5	1942	...	21	...	...	*65½	49
Asbestos, 1st mtge.	6	1941	...	5¼	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can Cottons	5	1940	8.11	...	...	...	84¼	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	19½	19½
Can. Pr. (Laur.)	5½	1958	...	...	...	...	3	3
Do. (Way. Ser.)	5½	1958	...	†3	3	...	*28½	5¼
Can. S.S. Debs.	5	1943	...	3	...	...	*83¼	...
Cedars Rapids	5	1953	...	68	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	2.25	2.40	...	2.50	1.00
Mex. L. & Pr.	5	1940	...	55	...	...	*73½	70½
Mtl. L.H.&.Pr. debs.	3	1939	...	44¼	44¼	44	44⅞	39⅞
Mont. Tr. 1st mtg.§	5	1941	5.70	97¼	97⅝	...	98¼	95⅞
Mont. Trams. A§	5	1955	6.78	79½	79½	79¼	79⅞	58
Do., G. & Ref. B	5	1955	7.47	79	...	...	73½	...
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	7.14	†80	...	...	77⅞	76½
N. S. Steel	5	1959	...	†78	...	...	*62⅞	59
Ontario Steel	6	1943	...	...	...	...	80	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103	...	...	*102¼	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	70	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101¼	100
Steel of Canada	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	111.00	....	....	116.25	114.25
Victory Loan	5½	1933	3.65	100.25	100.30	....	100.75	100.00
Do.	5½	1934	4.20	101.25	101.75	101.50	102.60	101.35
Do.	5½	1937	3.10	109.50	....	....	110.25	109.25
Do., refund	4½	1940	4.28	101.00	....	....	101.25	99.70
Do., refund	5	1943	4.46	104.00	....	....	103.37	101.85
Do., refund	4½	1944	4.41	100.75	....	....	99.75	98.75
Do., refund	4½	1946	4.37	100.75	....	....	*92.25	91.50
Do., renewal	4	1952	4.37	94.50	....	....	95.25	91.63
Conversion Loan	4½	1956	4.11	....	....	....	98.50	97.00
Do.	4½	1957	4.56	99.50	....	....	99.00	96.00
Do.	4½	1958	4.53	99.75	99.58	....	99.58	97.75
Do.	4½	1959	4.46	100.50	100.87	....	100.87	97.50
Nat. Service Loan	5	1936	3.98	103.00	....	....	103.25	101.50
Do.	5	1941	4.38	103.75	....	....	103.75	100.75
Dom. Loan	4	1935	3.80	99.75	....	....	99.75	99.75

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
June 20, 1933

	Bid	Asked
Industrial Bonds:		
Abitibi P. & P. 5% 1953	23.00	25.00
Acadia Sugar 6% 1946	91.00	....
Alta. Pac. Grain 6% 1946	84.50	87.00
American Sales Book 6% 1939	105.00	....
Arnold Bros. 6% 1947	50.00	....
B. A. Oil 5% 1945	95.00	97.00
Can. Biscuit 6½% 1946	24.00	....
Can. Bread 6% 1941	91.00	93.50
Can. Cement 5½% 1947	75.00	77.50
Can. Steamship 6% 1941	22.00	24.00
Can. Bakeries 6½% 1945	60.00	....
Can. Canners 6% 1950	90.00	93.00
Can. Copper Refin. 6% 1945	105.00	....
Can. Cottons 5% 1940	83.00	....
Can. Vickers 6% 1947	65.00	68.00
Cons. Invest. 4½% 1959	45.00	....
Cosmos Imp. Mills 6½% 1944	85.00	....
Davies, Wm. 6% 1942	90.25	....
Debenture & Sec. 4% 1936	54.00	57.00
Dom. Manufacturers 6% 1933	96.00	....
Dom. Tar & Chemical 6% 1949	70.00	73.00
Dom. Telegraph 5½% 1978 "A"	85.00	89.00
Dom. Textile 6% 1949	99.00	101.00
Dom. Woollens 6% 1948	23.00	....
Donnacona Paper 5½% 1948	20.00	....
Eaton Realty 5% 1949	80.50	84.00
Famous Players 6% 1948	74.00	....
Federal Grain 6% 1949	84.50	....
Firestone Tire 7% 1937	110.00	....
Fraser Cos. 6% 1932	10.00	....
Fraser Cos. 6% 1950	11.00	....
Galt Brass 7½% 1941	....	25.00
Goodyear Cotton 6% 1949	99.00	103.00
Great Lakes Paper 6% 1950	32.00	34.00
Gypsum, Lime & Alab. 5½% 1948	40.50	43.50
Harris Abattoir 6% 1947	90.00	....
Howard Smith 5½% 1953	75.00	77.00
Loew's Toronto 6% Serial	100.00	....
London Realty 6½% 1950	40.00	....
Maple Leaf Milling 5½% 1949	50.00	53.00
Massey-Harris 5% 1947	64.00	66.00
McColl-Frontenac 6% 1949	94.00	96.00
McKinnon Industries 6½% 1945	94.00	....
Mercury Mills 5½% 1953	40.00	....
Metropolitan Bldg. 7% 1944	83.00	86.00
Northern Ontario Bldg. 6½% 1939	62.00	....
Price Bros 6% 1943	46.00	46.00
Richmond Bay 6½% 1947	57.00	....
Simpsons Ltd. 5½% 1949	72.00	75.00
Simpsons Ltd. 6% 1949	77.00	80.00
Steel of Canada 6% 1940	104.00	107.00
Toronto Carpet 6% 1944	78.00	82.00
United Gas & Fuel 5½% 1948	61.00	....
United Grain Growers 5% 1948	81.50	....
United Grain Growers 5½% 1949	85.00	88.00
Wabasso Cotton 7% 1942	63.50	....
Western Grain 6% 1949	73.00	77.00
Public Utility Bonds:		
Bell Telephone 5% 1955	105.00	....
Bell Telephone 5% 1957	105.00	....
B. C. Power 5½% 1960	88.00	90.00
B. C. Telephone 5% 1960	91.50	94.00
Calgary Power 5% 1960	86.00	88.00
Can. Northern Pwr. 5% 1953	83.00	85.00
Duke Price Pwr. 6% 1966	79.00	....
French Nat'l. Mail S.S. 6% 1952	123.00	....
Gatineau Pwr. 6% 1941, "A"	70.00	73.00
Gatineau Pwr. 5% 1956	82.00	84.00
Maclaren Quebec 5½% 1961	81.00	83.50
Manitoba Power 5½% 1951	49.00	....
Montreal Isl. Pwr. 5½% 1957	95.00	98.00
Montreal LH&P 5% 1951	103.00	....
Montreal LH&P 5% 1970	103.00	....
Montreal Tram 5% 1941 July	96.00	98.00
Montreal Tram 5% 1955	77.00	80.00
Northwest. Utilities 7% 1938	98.00	100.00
Ottawa Valley Pwr. 5½% 1970	97.00	99.00
Quebec Power 5% 1968	89.50	92.00
Rio Tramways 5% 1935	97.50	....
Shawinigan W&P 4½% 1970	75.00	....
Shawinigan W & P 5% 1970	83.00	....
Shawinigan W&P 6% 1937	92.00	95.00
Southern Can. Pwr. 5% 1955	97.00	99.00
West Kootenay Pwr. 5% 1956	94.00	96.00
Government, Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	100.50	102.00
C. N. R. 4½% 1957 Dom. Gtd.	100.00	101.50
C. N. R. 5% 1969 Dom. Gtd.	106.00	107.00
C. P. R. 4½% 1944	83.00	84.00
C. P. R. 6% 1942	103.00	105.00
Dom. of Can. 5% 1936	103.00	104.00
Dom. of Can. 5% 1941	103.50	104.50
G. T. P. 3% 1962 Dom. Gtd.	80.00	81.00
G. T. P. 4% 1962 Dom. Gtd.	93.50	94.50
Ont. Hydro 3½%, 4%, 5%, 1952 Ont. Gtd.	92.00	93.00
Ont. Hydro 4½% 1970 Ont. Gtd.	100.00	101.50
Ont. Hydro 4% 1957 Ont. Gtd.	92.50	94.00
Prov. of N. B. 5% 1957	99.00	100.00
Prov. of Ont. 5½% 1947	107.25	108.00
Prov. of Ont. 5% 1948	103.50	104.50
Prov. of Ont. 5½% 1946	107.25	108.00

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
June 20, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar com.	.90	....
Acadia Sugar 6% pfd.	3.50	4.25
Acme Farmers Dairy 7% pfd.	58.50	....
Acme Glove pfd. bonus c.	6.00	8.00
Agnew Surpass 7% pfd.	61.50	70.00
Allens London 7% pfd. bonus c.	33.50	....
Allens St. Cath. 7% pfd. bonus c.	33.50	....
Allens Toronto 7% pfd. bonus c.	21.00	....
Andian Nat. Corp. U. S. funds	20.00	22.00
Atlantic Sugar "A" pfd.	80.00	85.00
B.C. Pulp & Paper pfd.	5.75	9.00
Burns pfd. bonus com.	7.00	....
Canada & Dom. Sugar	31.50	33.50
Canada Mach. c.	4.25	6.25
Canada Mach. pf.	21.00	....
Canada Pack. com.	31.00	34.00
Canada Packers pfd. ex div.	98.00	101.00
Canada Starch 7% pfd.	61.00	68.00
Canada Tea 7% pfd.	45.00	60.00
Canada Wire & Cable 6½% pfd. WW	57.00	....
Can. Industries com. "A"	101.00	....
Can. Industries com "B"	97.00	100.00
Can. Industries 7% pfd.	123.00	126.00
Can. Westing.	45.00	50.00
A. W. Chase pfd. bonus c.	10.25	15.00
Claude Neon Gen. Adv. Units	7.00	10.00
Dodge Mfg. "A" pfd.	....	8.50
Dom. Foundries & Steel 8% pfd.	....	64.00
Dom. Foundries & Steel com.	5.00	....
Dom. Manufacturers 7% pfd.	67.00	....
Dunlop Tire 7% pfd.	40.50	46.50
Eastern Dairies Ltd. 7% pfd.	....	43.00
Edmonton Stockyards Units	39.00	52.00
Fed. Grain c.	3.50	....
Fed. Grain 6½% pf.	35.00	....
A. J. Freiman pf.	50.00	....
Gen. Steel Wares pfd.	16.50	18.00
Goderich Elevator & Transit	7.25	8.50
Greening Wire 7% pfd.	47.00	....
Guelph Carpet 6½% pfd. bonus	63.00	70.00
Guelph Carpet c.	5.00	....
Inter City Baking com.	11.00	....
Inter. Proprietaries "A"	22.25	23.25
Langley's Ltd. 7% pfd.	28.00	35.00
Loew's London c.	.55	1.00
Loew's Toronto 7% pfd.	42.00	....
Loew's London 7% pfd.	3.75	4.25
Massey-Harris 5% pfd.	23.00	25.00
Medical Arts pfd. bonus c.	98.00	....
Melchers Distilleries "A"	2.00	2.50
Mount Royal Hotel c.	.35	.70
Mount Royal Hotel 6% pfd.	3.25	4.25
Nat. Grocers c.	1.50	2.00
Nat. Grocers 7% 2nd pfd.	65.00	....
Paramount Kitchener pfd.	30.00	....
Paramount Oshawa com.	2.00	....
Paramount Oshawa pfd.	29.00	....
Provincial Paper 7% pfd.	52.00	....
Reliance Grain 6½% pfd.	51.00	....
Rolland Paper 6% pfd. WW	28.00	....
Standard Clay Products c.	15.00	....
Standard Fuel 6½% pfd. bonus	61.50	....
Supersilk pfd. bonus	29.50	....

Ind. Stock cont'd.	Bid	Asked
Supertest Petroleum "B"	19.25	....
Toronto Elevators 7% pfd.	87.00	90.00
Un. Grain Grow.	14.00	16.00
Western Grain 6½% pfd. bonus	19.00	23.00
Western Grocers pfd.	65.00	80.00
Insurance Stocks:		
Br. Amer. Assce.	23.00	....
Canada Life Ass.	380.00	405.00
Can. Fire Ins.	50.50	55.00
Confederation Life 20% pd.	120.00	125.00
Continental Life 20% pd.	39.50	44.00
Crown Life Ins.	95.00	110.00
Dom. Fire Ins.	83.00	....
Dom. Life 50% pd.	138.00	....
Dom. of Can. Gen. Ins.	90.00	100.00
Empire Life 25% pd.	8.50	12.00
Excelsior Life 30% pd.	68.00	....
Fidelity Ins. Co.	49.00	....
Great West Life Assce.	250.00	....
Guarantee Co. of N. A.	245.00	....
Imperial Life	270.50	....
Mfrs. Life Ins.	237.00	250.00
Monarch Life 10% pd.	16.00	....
National Life 25% pd.	55.00	65.00
Saskatchewan Life 10% pd.	....	11.50
Sovereign Life 25% pd.	17.50	21.00
Sun Life Assur.	500.00	540.00
Western Assur. c.	17.00	....
Western Life 20% pd.	8.00	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	151.50	160.00
Brockville Trust	45.00	50.00
Can. Gen. Invest. Ltd.	5.40	5.80
Chartered Trust	54.00	....
Debenture & Sec. 5% pfd.	14.50	....
Eastern Can. Sav. & Loan	110.50	115.00
Eastern Trust	135.50	145.00
Guelph & Ont. Inv. par $50	48.00	50.50
Investment Foundation Units	32.00	....
Lambton Loan & Savings	50.00	53.00
London & Western Trust	51.00	....
Mortgage Discount pfd.	1.55	2.25
Premier Trust	78.00	85.00
Provincial Bank	90.00	....
Security Loan & Savings	100.50	....
Sherbrooke Trust	100.50	111.00
Sterling Trust	....	45.50
Traders Fin. com.	.55	....
Traders Fin. 7% "A" pfd.	23.00	....
Trusts & Guar.	30.00	34.00
Victoria Trust & Savings	131.00	140.00
Waterloo Trust & Savings	90.00	100.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	94.50	97.00
Calgary Power 6% pfd.	79.00	82.00
Can. Light & Pwr. com.	19.00	23.00
Can. West. Nat. Gas LH&P c.	23.00	....
Can. West. Nat. Gas LH&P pfd.	77.50	81.50
Maritime Tel. & Tel. c.	7.00	8.00
Maritime Tel. & Tel. 7% pfd.	10.25	11.50
N.B. Telephone c.	6.25	7.50
Nor. Ont. Pwr. c.	9.75	....
Nova Scotia L&P com.	24.00	....
Nova Scotia L&P 6% pfd.	69.00	74.00
Recent London Quotations:		
Brewers & Distillers		
Can. & For. Secs.	3s.	
Can. West. Lumber	1s.	
Hudson's Bay	26s.	
Do., 5% pref.	82s.	
Internat. Holdings		
Nfld. Pr. & Pap. deb. stock "B"		
Trust & Loan of Can.	1s.	

Winnipeg Stock Exchange

(Transactions for week to June 13)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close June 13
..	..	Central Manitoba	1,200	.16	.13	.16
..	..	Hudson Bay Mining	5	9.95	9.95	9.95
..	..	Sherritt Gordon	250	1.25	1.25	1.25
..	..	Ventures	100	1.20	1.20	1.20
..	..	Western Grocers c.	110	16	16	16

Montreal, Toronto and Curb Markets (week ending June 19)

Range 1933 High	Range 1933 Low	Divd. Rate in $	Yield in % June 17		Sales	Close June 12 (or last)	Week Ending June 19 High	Low	Close
				A					
1.50	.12	.	...	Abitibi	2240	1.35	1.40	.80	.90
5½	1	.	...	Do. pref. 6%	540	5	5	3½	5
x80	80	7	...	Acme F. D'y p	....	..	..	..	..
4	4	.	...	Agnew Surp.	25	..	4	4	4
60	60	7	11.7	Do. pref.	....	60	..	..	..
9¼	3½	.	...	Alta. Pac. Gr.	50	7	7	7	7
32	20	.	...	Do. pref.	....	31	..	..	..
x3½	1½	.	...	Amal. Electric	....	..	..	..	..
9	3	.	...	Do. pref.	....	9	..	..	..
†3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
.25	.15	.	...	Asbestos	....	.25	..	..	..
.60	.50	.	...	Do. pref.	....	.60	..	..	..
9	3½	.	...	Assoc. Brew.	515	9	9	8	9
72	65	7	10	Do. pref.	....	70	..	..	..
x8	8	.	...	Assoc. Can.	....	..	..	..	..
†69	65	.	...	Assoc. Tele.	....	..	..	..	..
				B					
135½	127	10	7.4	Bk. Can. Nat.	49	135	135½	135½	135¼
200½	150	8	4	Bk. Montreal	378	200½	200	197	197
270	228	12	4.6	Bk. N. Scotia	79	270	268	263	263
186	151	10	5.4	Bk. Toronto	10	185½	186	185	186
14	10	.	...	Barcelona	....	12	..	..	..
3	1	.	...	Bathurst Pr.	50	2¾	3	3	3
x1½	1½	.	...	Do. (B)	....	..	..	..	..
†126	26	.	...	Bawlf Grain	....	..	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
5	3	.	...	Beath & Sons	20	5	5	5	5
8	3½	.	...	Beatty Bros. A	35	8	8	6½	8
57	53	6	10.8	Do. pref.	....	55½	..	..	..
1.50	.60	.	...	Beauharnois	32552	1.15	1.25	.90	.95
x63	60	4	...	Belding Cort.	....	..	..	..	..
89	85½	7	8.2	Do. pref.	....	85½	..	..	..
108	80	6	5.9	Bell Telephone	1033	102	103	100	102
4⅞	3¼	.	...	Biltmore Hats	25	4½	4⅞	4⅞	4⅞
65	62	7	11.3	Do. pref.	....	62	..	..	..
3¾	2½	.	...	Bissell, T. E.	35	2¼	3¾	3⅝	3¾
†97	88	.	...	Do. pref.	....	..	..	..	..
6	1	.	...	Blue Ribbon	130	5	6	5	5
20	10	2	10.2	Do. pref.	....	19½	..	..	..
21¼	18½	2	9.5	Brant. Cd. pf.	10	21¼	21	21	21
17⅞	7	.	...	Brazilian Tr.	213596	17⅝	17⅝	14⅞	16⅞
2.12	.55	.	...	Brew. & Distil.	16295	1.65	1.80	1.50	1.60
2.00	.12	.	...	Brewing Corp.	1185	1.50	1.60	1.25	1.25
15¼	⅜	.	...	Do. pref.	502	10¾	11	8	9
13⅞	7½	80c	6.5	Brit. Amer. Oil	10984	13	13¼	12	12¾
6	1	.	...	B.C. Packers	8984	4⅞	5¼	4	5¼
20	6	.	...	Do. pref.	15	15½	15½	15¼	15¼
25	14	2	8.2	B. C. Power A	1409	25	25	23¾	24½
6½	3	.	...	Do. (B)	1075	6⅛	6½	5⅞	6
14	3	.	...	Bruck S. Mills	4720	12	14	12	13¼
16½	10½	1	6.7	Building Prod.	345	15	15¼	15	15
35½	20	2	6.1	Burt, F. N.	735	33½	35½	32	32
				C					
x125	120	6	...	Calgary Pr.	....	..	..	..	..
7	1¼	.	...	Canada Bread	740	6¼	6	5⅝	6
68	40	3	5.3	Do. pref. A	....	57	..	..	..
25	8	.	...	Do. pref. B	30	25	25	25	25
10	5½	60c	7	Canada Bud	860	9	8¾	8⅝	8½
7¾	2¼	.	...	Canada Cement	4691	6½	7	6	6¼
34½	12	.	...	Do. pref.	691	31	32	30	32
b23	7½	1	5.6	Canada Dry	18874	20¾	21⅜	16⅜	19⅜
5	2	.	...	Can. Forg. (A)	....	5	..	..	..
x7½	2	.	...	Do. (B)	....	..	..	..	..
x15	15	.	...	Canada Iron	....	..	..	..	..
†80	75	3	...	Do. pref.	....	..	..	..	..
*425	425	20	4.7	Canada Life	....	425	..	..	..
32	13½	1.50	5.8	Can. Malting	2000	26½	27	25	27
17	12	80c	4.8	Can. Nor. Pr.	75	16½	16½	15¼	15½
87	65	7	8.6	Do. pref.	39	83	84	81½	84
.25	.05	.	...	Can. Paving	....	.10	..	..	..
10	4	.	...	Do. pref.	....	4	..	..	..
165	120	10	6.7	Can. Perman.	13	160	150	150	150
3½	1¼	.	...	Can. Steamsh's	200	3	3	3	3
9¼	2	.	...	Do. pref.	431	6½	6	5	5¼
25	13½	1.60	6.7	Can. Vinegars	160	23	24	21	23½
26½	26	.	...	Can. W. Cable	....	26	..	..	..
14	7	.	...	Do. (B)	5	14	12	12	12
x1½	1½	.	...	Can. Bakeries	....	..	..	..	..
6¾	5	.	...	Do. pref.	....	5	..	..	..
154	119	8	5.5	Can. Bk. Com.	245	150	153	144	144
20	9	60c	3.2	Can. Bronze	336	19	20	18½	19½
95	70	7	7.4	Do. pref.	25	90	95	95	95
7½	2½	.	...	Can. Canners	345	7	6¾	6	6¼
75	48	6	8.4	Do. 1st pfd.	42	73	72	71¼	71¼
9¼	3⅜	20c	2.5	Do. 2nd pfd.	590	8½	8¼	7⅞	8¼
7⅞	3	.	...	Can. Car & F'y	3579	7	7⅞	6	6⅞
17¾	9½	1.75	10.6	Do. pref.	650	16½	17	16	16¾
19	6½	.	...	Can. Celanese	270	18⅞	18½	17	17⅞
98	70	7	7.2	Do. pref.	240	95½	97	95	96½
30	8	2	6.7	Can. Convert.	70	30	30	30	30
29	15	.	...	Can. Cottons	20	28	29	29	29
69	45	6	10.9	Do. pref.	....	55	..	..	..
18½	10	1	...	Can. Dredge	380	17½	17½	17	17
†92	92	7	...	Do. pref.	....	..	..	..	..
79	79	6	7.6	Can. Fairb. pf.	....	79	..	..	..
9	2	.	...	Can. For. Inv.	335	5½	9	5½	9
35	35	4¼	...	Do. pref.	....	35	..	..	..
123	100	3	2.4	Can. Gen. Elec.	15	116	122	116	116
58	50	3.50	6.2	Do. pref.	60	57	57½	56⅜	56⅜
6½	4	.	...	Can. G. Inv. T.	....	6½	..	..	..
55	34	6	11.4	Can. Hyd. El. p	299	52	53	52	53
[illegible]	1½	.	...	Can. Ind. Alc.	14415	5¼	5½	4¾	5½
5.62	.90	.	...	Do. (B)	1205	4.50	4.87	4.37	4.50
100½	75½	3.50	3.5	Can. Industries	50	100	100¼	100¼	100¼
125	125	7	5.6	Do. pref.	....	125	..	..	..
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
†70	64½	.	...	Do. pref.	....	..	..	..	..
x21	15	1	...	Can. Lt. & Pr.	....	..	..	..	..
b2⅞	1⅛	.	...	Can. Marconi	57837	2¾	2⅞	1⅞	2¼
12¼	6½	50c	4.5	Canadian Oil	95	11½	11	10⅞	10⅞
96	79	8	8.6	Do. pref.	15	95	93	93	93
19½	9	.	...	Can. Pacific	30764	19	19¼	15⅞	18¼
3	1	.	...	Can. Vickers	50	3	2½	2½	2½
6½	5	.	...	Do. pref.	....	6½	..	..	..
4	1½	20c	5.7	Can. Wineries	25	3⅜	3½	3½	3½
9	3	.	...	Can. Wire Box	....	7	..	..	..
9	5½	.	...	Catelli Mac A	15	9	8½	8½	8½
2	1	.	...	Do. (B)	....	2	..	..	..
x301	290	8	...	Cent. Can. L'n	....	..	..	..	..
1.30	.50	.	...	Chem. Research	9920	1.15	1.30	1.13	1.25
1.60	.20	.	...	Claude Neon	570	.90	.95	.90	.90
11	3	.	...	Cockshutt Plow	2315	10⅞	10⅞	8½	10
3.50	.50	.	...	Comm. Alcohol	110	2.50	3.50	3.25	3.50
2½	1	.	...	Conduits	....	1	..	..	..
†94	.84	.	...	Do. pref.	....	..	..	..	..
10	2	.	...	Cons. Bakeries	565	8¾	9	8	8¾
2¼	¼	.	...	Cons. Indust.	80	2¼	2	2	2
2½	1⅜	.	...	Cons. Paper	786	2⅜	2½	2	2¼
6	3	.	...	Cons. Press	50	5	6	6	6
x85	80	.	...	Cons. Sand. p	....	..	..	..	..
135	54	10%*	...	Cons. Smelters	13067	132	132½	117	130
182½	170	10	5.5	Consumers' Gas	68	182½	182½	180	182
‡85	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	.85	.	...	Do. pref.	....	..	..	..	..
†20½	15	.	...	Corpor. Steel	....	..	..	..	..
†90	90	.	...	Corr. P. Box p.	....	..	..	..	..
3½	1½	.	...	Cosgrave Brew.	985	2½	2½	2¼	2½
7	2	.	...	Cosmos Imp.	225	6½	7	6	6¼
50	39	3.50	7	Do. pref.	....	50	..	..	..
3½	1½	.	...	Crown Dom. Oil	130	3½	3¼	3½	3½
20	8	.	...	Crow's N. Coal	....	8	..	..	..
				D					
2	1½	.	...	David & Fre. B	....	2	..	..	..
†12½	12½	.	...	De Havilland	....	..	..	..	..
x15	10	.	...	Do. pref.	....	..	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
†10	10	.	...	Do. pref.	....	..	..	..	..
9½	4	.	...	Distill-Seagram	6020	8¾	9	8⅛	8½
5	5	.	...	Dodge (A) pf.	....	5	..	..	..
x2	1½	.	...	Do. (B)	....	..	..	..	..
161	124	10	6.3	Dom. Bank	63	160	161	157	160
26	12½	2	8.1	Dom. Bridge	4903	25	26	23½	24⅞
7	3½	.	...	Dom. Coal	95	7	7	7	7
30	8	.	...	Dom. Engineer.	50	21½	21	21	21
90	35	5	6.1	Dom. Glass	129	83	83	82	82
105	98	7	6.7	Do. pref.	....	105	..	..	..
3	1	.	...	Dom. Motors	185	1½	1¾	1½	1¾
2	½	.	...	Dom. Pr. Stubs	....	..	..	..	..
2⅞	¾	.	...	Dom. St & C B	5391	2⅞	2¾	1½	2
23	12½	1.20	5.6	Dom. Stores	315	22	23	21	21
4	1	.	...	Dom. Tar & C.	714	2½	3⅛	3	3
25	5	.	...	Do. pref.	30	22	22	21⅞	21⅞
64	39	4	6.6	Dom. Textile	376	62½	62½	60	60
100	93½	7	7	Do. pref.	....	100	..	..	..
†12	10	.	...	Donnacona	....	..	..	..	..
5	¾	.	...	Dryden Paper	705	4	4	3½	3½
1½	1	.	...	Duff. Paving	....	1⅛	..	..	..
23⅞	5	.	...	Do. pref.	10	23⅞	15	15	15
				E					
3	3	.	...	East. Koot. Pr.	....	3	..	..	..
†97	94½	.	...	Do. pref.	....	..	..	..	..
7	1¼	.	...	East Dairies	30	6	6	6	6
x9½	9½	.	...	East. Steel	....	..	..	..	..
x74	74	7	...	Do. pref.	....	..	..	..	..
‡34	34	2	...	East. Theatres	....	..	..	..	..
†85	80	7	...	Do. pref.	....	..	..	..	..
1½	1	.	...	Easy Washer	175	1	1¼	1	1⅛
12½	7	75c	6.2	Economic Inv.	....	12	..	..	..
†15	15	.	...	Edmonton D'y.	....	..	..	..	..
†80	78½	6.50	...	Do. pref.	....	..	..	..	..
2	½	.	...	Enam. & Heat.	....	2	..	..	..
17	5	.	...	Eng. Electric	20	13½	17	17	17
5	1½	.	...	Do. (B)	10	4	5	5	5
				F					
12	4	.	...	Fam. Players	....	12	..	..	..
10	8	.	...	Do. Vot. Tr.	10	8	10	10	10
12	8½	1	8.6	Fanny Farmer	317	11	12	11½	11¾
28	28	2.40	8.7	Do. pref.	....	27½	..	..	..
†83½	75	.	...	Firstbrook Box	....	..	..	..	..
14½	6	.	...	Ford Motors A	11296	13¼	13⅝	10⅞	12⅞
5	1½	.	...	For. Pr. Secs.	25	4½	5	4⅞	4¼
7	5	.	...	Foundation Co.	45	7	7	6	6
90	90	.	...	Fr.& For.Inv. p	....	90	..	..	..
†8	5	.	...	Frost Steel	....	..	..	..	..
40	40	.	...	Do. pref.	....	40	..	..	..
				G					
5.87	.70	.	...	Gen. St. Wares	4290	5.75	5.62	4.25	4.75
18	18	.	...	Do. pref.	5	..	18	18	18
110	40	2.40	2.3	Goodyear Tire	183	108	110	100½	107½
102	80	7	6.9	Do. pref.	178	101	102	101	101½
†93½	93½	.	...	Gould Pumps	....	..	..	..	..
1½	¼	.	...	Gt. W. Saddlery	....	1½	..	..	..
8	5	.	...	Do. pref.	....	8	..	..	..
15½	4	.	...	Gurd, Chas.	685	14	14½	12	15½
100	100	7	...	Do. pref.	....	100	..	..	..
5¼	1½	.	...	Gypsum, Lime	2869	4⅝	4½	3½	4½
				H					
10¼	2½	.	...	Ham. Bridge	1450	9⅞	10⅛	7	8¾
40	35	.	...	Do. pref.	53	40	40	40	40
8¼	4	.	...	Ham. Cot. pf.	65	5	8¼	8¼	8¼
5	1½	.	...	Ham. U. Theat.	10	3	2¾	2¾	2¾
60	46	7	11.7	Do. pref.	30	55	60	60	60
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
7	2	.	...	Hinde & Dauch	30	6	5½	5½	5½
†75	75	.	...	Holt Renfrew	....	..	..	..	..
‡96½	90	.	...	Do. pref.	....	..	..	..	..
2	¼	.	...	Honey Dew	225	1⅞	2	1¾	2
15	5	.	...	Do. pref.	35	14	14	13	14
8	1½	.	...	H. Smith Pap.	95	5⅞	5⅞	5⅛	5½
30	8	.	...	Do. pref.	....	30	..	..	..
21½	14¼	2	9.3	Humberstone S.	30	21	21½	21½	21½
10	4	50c	5	Hunt (A)	33	8	10	9	10
6	5	50c	8.3	Do. (B)	....	6	..	..	..
102	77	7	7.8	Huron & E. Mt.	....	90	..	..	..
18	12½	.	...	Do. 20% pd.	....	15	..	..	..
7½	6	.	...	Hydro Electric	....	7	..	..	..
				I					
169	123	10	5.9	Imperial Bank	85	169	169	165	165
13½	7⅞	50c	4.2	Imperial Oil	30485	13	13¼	11⅞	12⅞
10	7	35c*	3.5	Imperial Tob.	902	10	10	9¼	9½
†80	80	8	...	Inter. Coal, p.	....	..	..	..	..
b11½	2½	.	...	Int. Hyd. E. A.	15470	11¼	11	7½	10
102½	98	7	6.9	Inter. Mill. pf.	20	102	102	102	102
90	84	7	6.7	Do. Series A	10	85½	90	90	90
20.75	8.00	.	...	Inter. Nickel	15703	20.45	20.75	17.40	20.20
x4	4	.	...	Inter. Paints	....	..	..	..	..
b6	¾	.	...	Int. P. & P. A	3001	5⅛	5⅛	3⅞	5
b3⅞	¾	.	...	Do. (B)	4600	2⅞	3⅛	1⅛	2⅞
b2⅛	¼	.	...	Do. (C)	16200	2¼	2⅜	1⅛	2
b17	2	.	...	Do. pref.	12814	15⅞	15⅞	11⅛	14⅛
17⅛	10¾	1	5.9	Inter. Pete.	14863	17	17⅝	16	17⅛
5	2¼	.	...	Inter. Power	25	4	4	4	4
29½	8	.	...	Do. pref.	10	20½	21	21	21
13½	5⅝	.	...	Int. Util. (A)	505	12⅜	13⅛	12⅜	13
3¾	1	.	...	Do. (B)	635	3⅛	3¾	2¼	3
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
85	70	7	8.2	Do. pref.	5	78	85	85	85
				K					
4⅞	¾	.	...	Kelvinator	190	3	4⅞	3	3
57	55	7	12.7	Do. pref.	....	55	..	..	..
				L					
17	5	.	...	Lake of Woods	240	15	15	13⅞	14
53	30	.	...	Do. pref.	5	52	52	52	52
80	80	6	7.5	Landed Bank	....	80	..	..	..
44	36	3	6.9	Laura Secord	60	44	43½	42	42½
5	1½	.	...	Lindsay, C. W.	50	5	5	5	5
35	25	.	...	Do. pref.	24	35	35	35	35
14	10½	80c	5.9	Loblaw (A)	2421	13⅞	13⅞	13¼	13⅜
13¾	10½	80c	6.3	Do. (B)	235	12⅞	13	12½	12½
‡2½	2½	.	...	Loew's. London	....	..	..	..	..
				M					
4	2	.	...	MacKin. Steel	....	3½	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
3½	3½	.	...	Manitoba Pr.	....	3½	..	..	..
7	3	.	...	Maple Leaf	55	6⅛	6	6	6
16	5	.	...	Do. pref.	20	15	14	14	14
6	6	.	...	Marcus Loew's	....	6	..	..	..
35	35	.	...	Do. pref.	....	35	..	..	..
6¾	2⅞	.	...	Massey-Harris	3820	6	6½	4⅞	5⅜
12⅞	7	60c	5.2	McColl-Fron.	12517	12	12⅛	11⅛	11⅞
80	54½	6	8.2	Do. pref.	124	77	77	72	77
†45	35	.	...	Mexican L & P	....	..	..	..	..
‡35	25	.	...	Mercury Mills	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
†40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
7½	2	.	...	Mitchell, Robt.	665	6½	7¼	6	6
†1	1	.	...	Monarch Knit.	....	..	..	..	..
40	20	.	...	Do. pref.	25	25	40	40	40
24	18	.	...	Montreal Cot.	....	23	..	..	..
60	50	7	11.7	Do. pref.	....	60	..	..	..
¼	¼	.	...	Montreal Exhib	....	¼	..	..	..
x11	5	.	...	Mont. Is. Pr.	....	..	..	..	..
38½	26½	1.50	4.1	Mont. L. & Pr.	8286	38¼	38½	35½	36⅞
42	39	3+.25	8.1	Montreal Loan	....	40	..	..	..
43	39	3.20	7.7	Montreal Tele.	3	41½	41½	41½	41½
100	70	9	9.9	Montreal Tram	43	92¼	91	90	90½
13½	4	.	...	Moore Corp.	521	13⅞	13⅞	11½	11⅞
95	65	7	7.4	Do. pref. A.	75	90	95	95	95
101	70	7	6.9	Do. pref. B.	48	100	101	100	101
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	.	...	Do. pref.	....	..	..	..	..
1⅞	½	.	...	Muirheads	75	1⅛	1⅛	1⅛	1⅛
7	5	.	...	Do. pref.	....	7	..	..	..
				N					
24¾	14¼	1.60	7.1	Nat. Brew.	6818	23⅞	24	22	23
31	27	1.75	5.8	Do. pref.	162	30	30½	30	30½
x½	½	.	...	Nat. Brick	....	..	..	..	..
x3	3	.	...	Do. pref.	....	..	..	..	..
16	14	2.40	16	N. Sew. Pipe A	....	15	..	..	..
15⅞	15	.	...	Nat. Steel Car.	2820	15⅛	15½	11½	15
212	165	8	4.6	National Tr.	....	174	..	..	..
x10	10	.	...	Niag. W. Weav	....	..	..	..	..
16½	16	75c§	...	Do. pref.	....	16	..	..	..
2.50	.75	.	...	North Star Oil	....	2.50	..	..	..
3.50	1.75	35c	...	Do. pref.	....	3.00	..	..	..
‡25	25	.	...	N.S. Steel, pf.	....	..	..	..	..
				O					
185	100	8	4.7	Ogilvie Flour	155	175	175	160	175
120	108	7	6	Do. pref.	50	120	116	115	115
8	4	.	...	Ont. Eq. 10% p	137	7	8	6⅞	8
105	104	6	5.7	Ontario Loan	....	105	..	..	..
6	4	.	...	Ont. Silknit	170	4	6	6	6
6	4⅞	.	...	Ont. Steel	25	4⅞	6	6	6
†105	105	.	...	Do. pref.	....	..	..	..	..
2½	¾	.	...	Orange Crush	80	2	2½	2	2
10	5	.	...	Do. (A)	20	5	6	6	6
2	½	.	...	Do. (B)	50	2	2	2	2
88	80	6	7.5	Ott. L. H. & P.	1	84	80	80	80
90	84	6.50	7.4	Do. pref.	5	87	88⅞	88⅞	88⅞
8	5	.	...	Ott. Traction	22	5	5	5	5
				P					
66	40	3	4.9	Page Hersey	655	62½	66	60	63
x20	70	.	...	Paton Mfg.	....	..	..	..	..
90	90	7	...	Do. pref.	10	..	90	90	90
43	20	3	7.5	Penmans	35	41	40	40	40
78	65	6	7.7	Do. pref.	....	78	..	..	..
15	8	.	...	Photo Eng.	30	13½	13⅞	13	13½
†70	64	7	...	Porto Rico P. p	....	..	..	..	..
b40¾	4	.	...	Postal Tele. p.	....	..	..	..	..
15	6	.	...	Power Corp.	4510	14½	15	11	13⅞
47	26	6	12.8	Do. pref.	10	44	47	47	47
3½	¾	.	...	Prairie C. Oil	110	3	3½	3	3½
16	8	.	...	Pressed Metals	840	13⅞	14	12¼	14
4⅞	2	.	...	Price Bros.	189	2½	3	2¼	2½
5½	4	.	...	Do. pref.	5	5	4½	4½	4½
				Q					
20	11	1	5.7	Quebec Power	2250	18⅞	20	17	18½
				R					
95	85	5	5.9	Real Estate L'n	....	85	..	..	..
1.50	.50	.	...	Regent Knit.	165	1.05	1.50	1.10	1.10
6	6	.	...	Reliance Grain	....	6	..	..	..
16	7	1	6.2	River. S. Mills	190	15	16	15¼	15¼
11	5	1	9.1	Robinson Cone	100	10	11	11	11
2	¾	.	...	Rogers Majes.	50	1½	2	2	2
165	123	8	4.8	Royal Bank	325	160	165	160	163½
†84	75	.	...	Ruddy, E. L. p	....	..	..	..	..
x33	32½	.	...	Russell Motor	....	..	..	..	..
45	28	4	11.4	Do. pref.	5	32	35	35	35
				S					
x4	3	.	...	Sarnia Br. A	....	..	..	..	..
x1	1	.	...	Do. (B)	....	..	..	..	..
8	2¼	.	...	Serv. Station	750	7	6¾	6	6
45	16	.	...	Do. pref.	10	40	40	40	40
18½	9¾	50c	3.1	Shawinigan	14767	17⅞	18¼	15¼	17½
14	4	.	...	Sher. Wms.	440	12⅞	14	12½	13½
75	39	.	...	Do. pref.	5	70	70	70	70
8½	4	.	...	Simon & Son	165	6½	8½	5	8½
50	50	.	...	Do. pref.	....	50	..	..	..
37	6	.	...	Simpson, Ltd.	155	34	37	34	37
5	5	.	...	Do. (A)	....	5	..	..	..
6½	1	.	...	Do. (B)	35	6½	6	6	6
78	46½	6	7.9	Simpson, R. pf.	....	76	..	..	..
17⅞	12	1	6.2	So. Can. Pr.	345	17	17	16	16
85	68	6	7	Do. pref.	32	83	85	83	85
1.85	15	.	...	St. Law. Corp.	1101	1.25	1.50	1.00	1.50
7	1	.	...	Do. (A)	145	5⅞	5	4½	4½
42	15	1.50	3.6	St. Law. Flour	5	42	42	42	42
97	92	7	7.2	Do. pref.	....	97	..	..	..
15	2¾	.	...	St. Law. Pa. p.	10	14	12	12	12
8½	4	.	...	Stand. Chem.	....	8½	..	..	..
3⅝	¾	.	...	St. Pav. & Mat	50	2½	2½	2½	2½
16	16	.	...	Do. pref.	....	16	..	..	..
5	1	.	...	Stand. Steel	310	4¼	3⅞	3¼	3⅞
47	47	.	...	Do. pref.	....	47	..	..	..
29	14½	1.20	4.5	Steel of Can.	2009	27⅞	28¼	25¼	27¼
32½	22½	1.75	5.5	Do. pref.	181	31	32½	31⅛	32
1	1	.	...	Sterling Coal	50	1	1	1	1
8	6	.	...	Stop & Shop	45	7	6	6	6
*385	385	.	...	Sun Life Ass.	....	385	..	..	..
20½	12	1	5.6	Sup. Pete. ord.	930	19	19½	17¼	18
18	11½	1	5.6	Do. com.	10	17½	18	18	18
98	90	7	7.1	Do. pref.	10	96	98	98	98
				T					
40	40	.	...	Tamblyn	....	40	..	..	..
95	82	7	7.4	Do. pref.	10	95	95	95	95
15	10	■87½c	...	Thayers, pf.	....	15	..	..	..
9¼	7⅞	40c	5	Thrift Stores	465	8⅞	9	8	8¼
22	21	1.62½	7.5	Do. pref.	15	22	21¼	21¼	21¼
12	1	.	...	Tip Top Tailors	1140	8	12	9½	11½
67	35	.	...	Do. pref.	15	40	67	60	60
†22	10	.	...	Tooke Bros.	....	..	..	..	..
15	15	.	...	Do. pref.	....	15	..	..	..
27	12½	.	...	Tor. Elevators	10	23½	23¼	23¼	23¼
167	138	8	5.3	Tor. Gen. Tr.	7	150	150	150	150
98¼	90	6	6.3	Toronto Mtge.	....	95	..	..	..
x½	½	.	...	Traymore	....	..	..	..	..
2	½	.	...	Do. pref.	....	2	..	..	..
112	107	7	6.2	Tuckett Tob. p	25	112	112	112	112
1⅞	1	.	...	Twin City	....	1½	..	..	..
b15	5⅛	.	...	Do. pref.	....	..	..	..	..
				U					
5½	2⅞	.	...	Union Gas	3240	4⅞	5½	4⅞	4⅞
x100	85	.	...	Union Trust	....	..	..	..	..
†8	8	.	...	United Fuel	....	..	..	..	..
15	4½	.	...	Do. pref.	5	15	15	15	15
7	7	.	...	Un. Amuse. A	....	7	..	..	..
30	19½	2	6.7	United Secs.	10	25	30	30	30
				V					
7	2	.	...	Viau Biscuit	....	6	..	..	..
35	35	.	...	Do. pref.	....	35	..	..	..
				W					
11	4	.	...	Wabasso Cot.	60	11	11	10	10
19	4	.	...	Walker-Good.	33416	18⅞	18¼	16½	18¼
15½	9½	1	7.4	Do. pref.	6034	14	14¼	13	13⅞
3½	1½	.	...	Waterloo Mfg.	5	3	3	3	3
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
8¼	4	.	...	West. C. Flour	165	7⅞	7⅞	7	7
55	45	3	5.4	Do. pref.	....	55	..	..	..
20	8	.	...	West. Grocers	....	20	..	..	..
75	54	7	9.3	Do. pref	....	75	..	..	..
†91	85	.	...	W. Steel Pr. p	....	..	..	..	..
44	16½	1	2.3	Weston Bisc.	2100	35½	44	35	44
83	67	7	8.4	Do. pref.	65	80	83	80	83
5	4	.	...	Whittall Can	25	..	5	4	4
40	40	6.50	...	Do. pref.	20	..	40	40	40
5	3	.	...	Windsor Hotel	....	5	..	..	..
12	5	.	...	Do. pref.	....	12	..	..	..
4¼	1	.	...	Winnipeg Elec.	1600	3½	4	3	3
9½	3¼	.	...	Do. pref.	80	8½	9½	9	9½
†46	46	.	...	Woods Mfg. p.	....	..	..	..	..
				Z					
x1	1	.	...	Zimmerknit. c.	....	..	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
▲ Stock dividend.
♣ On account of arrears covering 6 months ended Dec. 31, 1932.
° Plus final dividend of 17½c. paid Mar. 31.
■ Covers payment due Jan. 3 last and deferred; paid Mar. 15.
* See "Unlisted Stocks" also.
§ On arrears.

Footnotes to Ottawa

An occasional department of comment on the background of governmental activities in the nation's capital

By Our Ottawa Correspondent.

Economy Campaign That is Different

OTTAWA.—The capital is in the grips of an economy campaign which has as its chief objective the clipping of $14,000,000 off the estimates voted by Parliament for the ordinary costs of government.

Economy campaigns, over the past ten years, have been as regular in their appearance as the seasons, and apart from the writing of many letters, the holding of innumerable conferences, the occasioning of much inter-departmental and ministerial friction, have been singularly devoid of results. But this economy campaign is different, which accounts for the fact that the upper strata of the civil service is seething with discontent and ministers and deputies are exercised as never before.

The reason for the campaign is obvious. In the budget speech Hon. E. N. Rhodes announced that further efforts to restrict expenditures would be made. He placed the controllable outgo of the government at $140,000,000 and thought that a further cut of 10 per cent, or $14,000,0000, would be in order. Since then, two months of the new fiscal year have brought a straight loss of $14,000,000 in revenues—this despite the additional taxes applied in the budget—while expenditures in comparison with last year are down but $5,000,000. Of this total saving, some $3,000,000 are in the current governmental expenditures and the item is totally lacking in significance. This saving is due to the fact that last year a payment of $3,000,000 was made under the Maritime Freight Rates Act, while this year the payment has been delayed. There is no change in the statute and no real saving available from this source.

* * *

Deficit Spectre is Moving Force

WITH expenditures showing little reduction, and revenues dropping steeply, the government must either economize or face another deficit of some $150,000,000. The government has decided to economize, or rather Mr. Rhodes has decided to do so. Just before leaving for London he instructed Watson Sellar, comptroller of the treasury, to carve ten per cent off current expenditures.

This procedure is highly interesting, because it illustrates the new powers which have been taken with regard to disbursements of Parliamentary votes. Prior to 1932, each department was free to spend its appropriations with no check other than the ultimate audit of the Auditor General's department. But with the advent of Watson Sellar, each department must obtain approval prior to the expenditure of money. Enforcement of economy, therefore, becomes relatively simple.

In point of fact, Mr. Sellar appears to have eliminated practically ten per cent of each departmental fund, leaving it to the departmental heads to make the shorter ends meet. Hence the agonized cries of grief that are being heard on Parliament Hill.

* * *

Department Heads Submit Expense Cuts

BUT before taking a battle axe to the current expenditures, Mr. Seller addressed a letter to each department. In this letter he served notice of Mr. Rhodes' determination to reduce expenditures and invited each departmental head to submit a report to him outlining ways and means of carrying on essential services at lower cost. These reports were received last Monday and while they have not been made public it is understood they are not entirely satisfactory. Some of the departmental heads have found items of expenditure which can either be reduced or eliminated. Others, however, report that their outgo is now at rock bottom and that further retrenchment can only be achieved by discharging staff and reducing services.

It is probably true that a ten per cent cut in current expenditures cannot be achieved without a reduction in staff, but the over-manned condition of the service is notorious. What is now being suggested is that the retirement of senior employees on superannuation be speeded up. In this way it is believed at least one hundred persons can be transferred from the public payroll to the superannuation fund. The fund is in a very healthy condition, as the result of contributions from the service as well as from the treasury, and can stand an additional strain without danger.

* * *

Retirement Scheme Being Discussed

THEN there are many civil servants who have reached the age of sixty or more but who have never brought themselves under a retirement fund. There is no statute enabling the government to retire them but a reference is to be made to the law officers of the crown to discover if the government cannot formulate a pension or retirement scheme for them. This would affect a cut of perhaps forty per cent in their wage bill.

Vacancies in the service created in this way will not be filled but, in keeping with the recent minute of cabinet, will be abolished.

* * *

No Plan to Cut Capital Outlays

FINALLY, there are matters of general expenditure to be considered. A special enquiry is being made into printing and stationery costs, which run to several millions per year. The government's telephone bill has been cut by nearly one-third. Even the odds and ends of expenditure—postage, pencils, erasers, etc.—are capable of easing the financial position, and all of them are being examined.

Unfortunately, however, the economy drive is directed only toward the ordinary, controllable expenditures of government. The vast outlays on commissions, on special policies, on capital account, on governmental business ventures such as the Farm Loans Board, continue with practically no restriction.

STERLING COAL STOPS MINING EARNINGS UP

Writes Off Investment in Allied Mine; Improves Working Capital

Net earnings of Sterling Coal Co. were increased to $73,312 in the year ended March 31, 1933 from $52,081 shown the preceding year and operating results were better than in any year since 1927. Bond interest of $43,114 was covered before depreciation but after providing $50,062 for depreciation and $105,861 written off investments the company shows a deficit of $125,725 for the year. Exhaustion of coal reserves of the Allied Mine lead to discontinuance of direct mining operations and investment in producing subsidiaries was written down from $124,373 to $4,000.

Tonnage handled by Conger Lehigh Coal Co., a subsidiary, increased and the petroleum products division showed an increasing gallonage. Income and surplus account is as follows:

CONS. INCOME & SURPLUS ACCOUNT
Years Ended March 31

	1933 $	1932 $
Net earnings	73,312	52,081
Less: Deprec.	50,062	43,949
Bond int.	43,114	44,299
W/o investments	105,861	....
Deficit for year	125,725	36,167
Less: Prev. surplus	326,393	362,560
Balance forward	200,668	326,393

Working capital position was improved. Cash shows little change at $41,079; Dominion guaranteed and industrial bonds have been reduced to $228,213 from $375,494 the difference having been applied to reduction of current liabilities. Accounts receivable are down to $312,914 from $337,373 and merchandise is up to $50,611 from $39,821. Accounts payable and accrued charges have been reduced to $117,827 from $157,387; bills payable of $386,000 shown last year have been replaced by bank loans of $247,479. Working capital position is as follows:

Working Capital
As at March 31

	1933 $	1932 $
Current assets	632,816	793,701
Current liabilities	380,119	558,141
Working capital	252,697	235,560
Ratio	1.66—1	1.42—1

Fixed assets are carried at $349,700 after depreciation reserve; goodwill remains at $2,631,250. Bonds outstanding have been further reduced to $709,500 from $727,300. There are 25,000 shares of $100 par value outstanding.

Note:—See Page 2 for information as to how a complete analysis of this company can be obtained.

Economic History Repeats Itself

Wisdom and Fallacy Down the Ages

BROUGHAM BLAMES THE MACHINES

"Brougham insisted also on the great discontent excited throughout the country by the introduction of new machinery. Formerly the labour thrown out of employment by the introduction of machinery has been absorbed by other trades, but now the case was widely different. The petitions which night after night were presented to the House of thousands and tens of thousands complaining of machinery testified that when workmen were flung out of one employment they could not find another ready to receive them. Additional mechanical power in the weaving trade was likely to throw many others out of work.

"Such a condition of universal distress could not do otherwise than lead to general discontent, and discontent naturally produced sedition, more particularly among artisan populations living under unhealthy conditions."—*Report of a speech in the British House of Commons by Brougham in 1817.*

* * *

CASTLEREAGH ON HIGH WAGES

"In the early part of 1817 there were indications of an improvement in trade. Lord Castlereagh predicted an early demand for labour and consequently a rise in wages. He did not think that wages would rise so high as before, and he was convinced that the excessively high wages which had prevailed in the manufactories during the flourishing period did not contribute to the morals, health or happiness of the people. They were apt to engender habits of extravagance and irregularity and to operate against temperance and economy. 'If the present calamity did nothing else but correct the disposition thus fostered and strengthened it would effect an ultimate benefit,' he said."—*From "Commerce and Industry," edited by William Page.*

Reno Gold Output At Higher Levels

Production by Reno Gold Mines since the resumption of operations early this year is showing a steady increase with the May production valued at $36,009 from 2,188 tons of ore treated. This production which includes exchange compensation indicates a recovery of approximately $16.45 per ton. This corresponds with April production of about $33,000 bringing the total value of the production this year to approximately $136,000.

The continuation of drifting in No. 5 tunnel has disclosed ore averaging better than four feet in width with high gold values. Sinking has been continued. A winze has also been deepened from the No. 5 level and the vein where cut showed a width of four feet in high grade ore.

Mining Stock Quotations

Week Ending June 19

Par Val.	Range 1933 High	Low	Company	Sales	Close June 12 (or last)	High for week	Low for week	Close June19
1	.05	.03	Abana	......	.03	.....	.....	.....
1	.02	.00½	Aconda	7,000	.01½	.02	.01½	.01½
No	.20	.03	Aldermac	20	.20	.10	.10	.10
1	.03½	.01	Alexandria	81,000	.02½	.02½	.02½	.02½
No	.05½	.02	Algoma	94,500	.02½	.02½	.02½	.02½
1	.01½	.00½	Algonquin	70,500	.01	.01½	.01	.01
1	.06	.00½	Amity C.	22,000	.03	.03	.02½	.02½
No	.48	.10	Amulet	41,352	.38	.39	.30	.38
1	.01	.00½	Apex	......	.00½	.....	.....	.....
1	.05	.02	Arca	14,500	.04½	.04½	.04½	.04½
No	.04½	.01½	Arno	273,500	.03	.03½	.03	.03½
1	1.36	.74	Ashley	1,700	1.18	1.19	1.00	1.15
1	.14	.02½	Bagamac	12,050	.06½	.07	.05½	.07
1	.03	.00½	Baldwin	2,500	.01	.01	.01	.01
1	.20	.08	Barry Hollinger	54,350	.13	.14	.12	.13
No	2.45	.75	Base Metals	72,410	2.28	2.45	2.10	2.23
No	1.00	.98	Beattie	......	.98	.....	.....	.....
1	.40½	.08	Big Missouri	47,600	.28	.28	.24	.26
1	.20	.08½	Bobjo	160,000	.17	.19	.16	.18½
No	9.00	2.28	Bralorne	12,795	7.75	7.90	6.00	7.75
1	.25	.13	Brett Trethewey	9,100	.21	.22	.20	.22
1	.07½	.01½	Brownlee	286,300	.04	.05½	.03½	.05
1	.02½	.00½	Buckingham	120,500	.01½	.02	.01	.01½
No	.04½	.01½	Buffalo Can.	10,000	.02½	.03	.03	.03
5	16.50	15.60	Bulolo	4,670	......	16.50	15.60	15.60
No	.08½	.01½	Bunker Hill	115,900	.06½	.07½	.06½	.06½
5s	1.25	.60	B'Wana McKubwa	......	1.23	.....	.....	.....
No	.04	.02½	Canam Metals	......	.03	.....	.....	.....
1	.12½	.03	Can. Kirkland	298,690	.10½	.11	.08	.09½
1	.01	.00½	Capital Rouyn	......	.00½	.....	.....	.....
1	.03½	.01	Cartier Malartic	3,200	.02	.01½	.01½	.01½
1	.64	.15	Castle Trethewey	55,000	.56	.64	.50	.55
1	.18	.05	Cen. Manitoba	144,180	.15	.18	.14	.14
1	.32	.17	Cen. Patricia	38,300	.30	.31	.26	.30
No	.20	.03	Chibougamau Pros.	53,100	.19	.19	.14	.14½
1	.10½	.03	Churchill M. & Mill.	......	.05	.....	.....	.....
No	.02½	.00½	Clericy	80,800	.02	.02½	.02	.02½
1	.02½	.01	Clifton Cons.	23,500	.01½	.01½	.01½	.01½
5	9.00	1.65	Coast Copper	2,415	7.00	7.00	6.00	6.50
1	.05½	.00½	Cobalt Contact	55,500	.04½	.05	.04	.04½
1	.15	.05	Columario	26,000	.14	.15	.11½	.11½
5	1.35	.75	Coniagas	1,100	1.20	1.25	1.10	1.15
No	.55	.20	Coniaurum	1,950	.43	.45	.40	.42
25	135.00	54.00	Cons. Smelters	13,067	132.00	132.50	117.00	130.00
No	37.65	13.60	Dome Mines	46,179	35.75	37.50	29.00	34.50
No	.09	.03½	Dom. Explorers	160,800	.06½	.09	.06	.08
1	.01	.00½	Dominion Kirk.	5,500	.00½	.01	.00½	.01
1	.04	.01	Don Rouyn	15,000	.01½	.01½	.01	.01
1	.04½	.02	Duparquet	10,500	.02½	.02½	.02	.02½
1	3.50	1.16	Eldorado	496,427	2.09	3.50	2.10	3.47
No	4.55	1.80	Falconbridge	24,450	4.15	4.15	3.30	3.95
1	.02½	.01	Federal	28,500	.02	.02	.02	.02
No	.02½	.01½	Flintoba	......	.02½	.....	.....	.....
No	.06	.01½	Gilbec	351,300	.05	.06	.04½	.04½
1	.15	.04	Goldale	103,150	.14	.14½	.12½	.14
10	.29	.10	Goldfield	13,400	.24	.27	.21	.21
	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.09½	.02	Goodfish	32,300	.08½	.09½	.08½	.09
1	.03½	.01	Graham	14,000	.02½	.02½	.02½	.02½
1	1.95	1.19	Granada	89,745	1.30	1.40	1.21	1.32
1	.18	.06	Groselle	5,000	.16	.18	.18	.18
1	.34	.24	Halcrow Swayze	13,500	.32½	.34	.32	.33
1	.06	.02	Harker	28,600	.05½	.06	.04½	.05
1	.01½	.00½	Hilltop	28,000	.01½	.01½	.01	.01½
5	10.90	6.00	Hollinger	48,427	10.60	10.65	8.90	9.95
1	1.00	.61	Howey Gold	150,565	.98	1.00	.85	.95
No	10.55	3.10	Hudson Bay	6,170	9.95	10.25	8.50	9.75
No	.45	.25	Huronian	1,340	.40	.45	.40	.43
No	20.75	8.00	Int. Nickel	165,703	20.45	20.75	17.40	20.20
1	.03	.00½	Jackson Manion	33,500	.03	.03	.01½	.01½
1	.50	.20	Keeley	100	.50	.50	.50	.50
1	.02	.00½	Keora Mines	......	.00½	.....	.....	.....
1	.76	.48	Kirk. Hud. Bay	2,200	.72½	.70	.65	.68
1	.02½	.00½	Kirk. Hunton	99,000	.01	.01½	.01	.01½
1	.52	.30	Kirkland Lake	68,830	.47	.48	.37	.42
1	.04	.01½	Kirkland Premier	17,500	.03½	.04	.03½	.03½
1	.46	.12	Kirk. Townsite	332,900	.33	.46	.30	.43½
20c	.02½	.00½	Koot. Florence	8,000	.02½	.02½	.02	.02
1	.35	.15	Lakeland	1,200	.25	.20	.20	.20
No	.18½	.07	Lake Maron	182,000	.11	.15	.10	.12
1	45.50	30.75	Lake Shore	27,595	44.00	44.25	39.25	43.00
1	.08	.02½	Lebel Oro	4,000	.04	.05	.04	.05
1	.73	.20	Macassa	522,004	.70	.72	.60	.72
1	.23	.05	Malartic	28,900	.18	.19	.15	.19
1	.04	.01	Malrobic	218,800	.02½	.04	.02½	.03½
No	.17	.02½	Mandy	100	.12	.11	.11	.11
No	.07	.01	Manitoba Basin	342,700	.04½	.07	.04½	.05½
5	36.25	21.20	McIntyre	21,610	36.00	36.25	28.00	33.15
1	.50	.30	McKinley	4,250	.43	.50	.50	.50
No	.08	.02½	McLeod River	112,200	.04	.04½	.03½	.04
1	.35	.03	McMillan	30,900	.32	.32	.28	.30
No	.95	.46	McWatters	44,975	.75	.95	.75	.90
1	.84	.15	McVittie	55,104	.68	.68	.60	.66
5	1.10	.06	Mentor Exp. & Dev.	......	1.10	.....	.....	.....
No	2.40	1.20	Mining Corp.	21,406	2.25	2.30	1.90	2.15
1	.05	.01½	Moffatt Hall	50,300	.03½	.03½	.03	.03½
1	.08½	.02	Moneta	3,500	.07	.07½	.06½	.06½
1	.00½	.00½	Montreal Rouyn	5,000	.00½	.00½	.00½	.00½
1	.40	.11½	Moss	97,250	.12½	.13½	.11	.13½
1	.02½	.00½	Murphy	16,055	.02½	.02½	.02	.02½
No	.06½	.02½	Newbec	14,300	.04½	.05	.04½	.04½
1	.06	.01½	Night-Hawk Penn.	47,500	.04	.05½	.03½	.05
5	3.40	1.15	Nipissing	12,910	3.20	3.36	2.70	2.95
No	35.15	19.75	Noranda	56,914	34.50	34.60	29.50	33.00
No	.52	.32½	Nor. Canada	3,500	.49	.46	.43	.46
No	.32½	.19½	Normont Gold	7,850	.31½	.32½	.30	.32½
1	.34	.05	Osisko	3,500	.19	.18	.15	.15
1	.28½	.11	Parkhill	15,676	.22½	.22½	.20	.20½
1	.03½	.01½	Pawnee Kirk.	8,000	.02½	.03	.02½	.02½
1	1.80	.50	Pend Oreille	25,265	1.53	1.55	1.05	1.35
1	.03½	.00½	Peterson Cobalt	3,500	.02½	.02½	.02½	.02½
1	16.25	4.30	Pioneer Gold B.C.	37,830	15.80	16.25	11.00	15.90
1	.03	.00½	Porcupine Crown	7,000	.02½	.02½	.02½	.02½
1	.01½	.00½	Potter Doal	9,000	.01½	.01½	.01	.01
1	1.60	.55	Premier Gold	73,215	1.48	1.60	1.05	1.32
1	.03½	.00½	Preston E. Dome	6,600	.02½	.02½	.02	.02
No	1.60	.68	Prospectors Air's	13,350	1.40	1.60	1.40	1.50
No	*1.00	1.00	Quebec Pros.	......	.....	.....	.....	.....
No	.15	.03	Quemont	1,050	.13½	.13	.13	.13
1	2.75	.60	Reno	142,105	2.85	2.68	1.80	2.51
1	.02½	.00½	Ribago	15,000	.02	.02	.01½	.01½
1	.03	.01½	Ritchie	12,500	.02½	.02½	.02½	.02½
1	.04	.01	Robb Montbray	6,850	.03	.03	.02½	.02½
1	1.25	.75	San Antonio	13,677	1.19	1.20	1.03	1.10
1	.03	.03	Seven Troughs	......	.03	.....	.....	.....
1	1.61	.33	Sherritt Gordon	139,680	1.30	1.32	1.00	1.23
1	1.77	1.25	Siscoe	126,760	1.58	1.59	1.43	1.57
1	.10½	.02½	South Keora	5,000	.03	.04	.02½	.04
No	.06	.01½	Stadacona	770,100	.03½	.04½	.03½	.04½
1	.60	.07	St. Anthony	69,200	.48	.48	.34	.45
No	2.21	.60	Sudbury Basin	31,420	1.80	1.85	1.45	1.75
1	.11	.00½	Sudbury Contact	64,000	.09	.10	.08	.08
1	.01½	.00½	Sudbury Mines	5,000	.01½	.01½	.01	.01½
No	.25	.16½	Sudbury Nickel	2,000	.16½	.25	.23	.23
1	.38½	.20	Sullivan	10,900	.28	.29	.27	.29
1	1.26	.72	Sylvanite	162,078	1.19	1.20	1.00	1.15
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
1	7.25	3.70	Teck Hughes	138,285	6.85	6.95	5.80	6.35
1	.10	.03	Thom. Cadillac	13,600	.06½	.08	.06½	.07
1	.40	.10	Towagmac	4,300	.28	.30	.28	.29
1	3.00	1.00	Treadwell	1,500	2.75	2.70	2.00	2.25
1	.17	.04	United Kirkland	23,100	.15	.16	.11	.11
No	.06½	.01½	Vacuum Gas	18,100	.02½	.02½	.02½	.02½
No	2.40	2.30	Venezuela	......	2.35	.....	.....	.....
No	1.50	.80	Ventures	107,810	1.20	1.23	1.03	1.18
1	.22	.03	Vickers	48,000	.03½	.06	.03½	.04½
1	.75	.20	Vipond	23,775	.61	.61	.50	.55
No	1.65	.35	Waite Ackerman	40,220	1.55	1.57	1.23	1.40
50c	.70	.40	Wayside	251,780	.53	.56	.40	.47
1	.07½	.02½	White Lake	4,500	.05½	.05½	.05	.05
1	.28	.02	Wiltsey Coughlan	217,400	.27½	.27½	.20	.23
1	.27	.07	Wood Kirkland	17,600	.25	.27	.20	.25
No	7.00	3.73	Wright-Hargreaves	117,100	6.75	6.95	5.30	6.15

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close June 12 (or last)	High for week	Low for week	Close June19
No	.15	.06	Acme Gas & Oil	100,500	.11	.15	.11	.14
1	.04½	.04½	Admiral	......	.04½	.....	.....	.....
1	1.14	.55	Ajax	70,569	.85	1.14	.85	1.11
1	.23½	.05	Alta. Pacific	200	.18	.18	.18	.18
1	.18½	.05	Amalgamated	22,450	.17	.17	.15	.15
No	.14	.04	Associated	2,900	.12	.12	.10	.10
No	.06	.01	Baltac	500	.04	.03	.03	.03
No	.80	.25	Calgary & Ed.	3,700	.75	.80	.70	.70
1	.13	.03	Calmont	6,900	.10	.11	.08½	.08½
1	.11	.03½	Common. Pete.	......	.08	.....	.....	.....
No	.45	.05	Dalhousie	1,250	.32½	.34	.25	.25
No	.02	.02	Devenish	......	.02	.....	.....	.....
No	.22	.05½	East Crest	1,850	.15	.16	.12	.13
No	.36	.25	Erie Gas	......	.27	.....	.....	.....
No	.01½	.00½	Fabyan Pete	265,200	.01	.01½	.00½	.01
No	.41	.06	Foothills	125	.28	.20	.20	.20
No	.09½	.04	Freehold	350	.06	.06½	.06½	.06½
No	.06½	.01½	Hargal	......	.05	.....	.....	.....
No	1.06	.30	Home	5,545	.92	.95	.85	.90
1	.20	.10	Homestead P. & G.	7,000	.14	.15	.14	.15
No	.17	.10	Lowery	1,500	.15	.10	.10	.10
No	.15	.05½	Marjon Oil	13,400	.06½	.15	.06½	.15
1	1.00	.14	Mayland	3,000	.72½	.85	.78	.80
No	.08	.03½	McD. Segur Ex.	2,000	.05	.05	.05	.05
1	.50	.25	McLeod	1,185	.42	.42	.40	.42
No	.15	.07½	Mercury	10,275	.13	.12½	.11	.12
No	.32	.11	Merland	6,700	.26	.25	.24	.24
No	.20	.09	Mill City Pete.	500	.20	.14	.14	.14
1	.45	.12	Model	2,670	.40	.41½	.38	.38
5	.20	.09	Nordon	28,325	.12½	.16	.12½	.16
No	.05½	.02½	Oil Selections	26,000	.04½	.05½	.04	.04
No	.15	.04½	Okalta	7,000	.11½	.10	.09	.09
No	.61	.20	Olga Gas & Oil	152,300	.57½	.61	.55	.56
No	.03½	.01	Penn. Pete	......	.01½	.....	.....	.....
1	.20	.13	Petrol Oil & Gas	3,200	.20	.20	.18	.18
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	16.00	5.75	Royalite	775	14.50	14.75	12.00	13.00
1	.20	.05	Sarnia Oil	11,500	.14	.15	.11½	.12½
No	.16	.04	South West Pete.	300	.10	.10	.10	.10
1	.06	.06	Spooner	......	.06	.....	.....	.....
No	.38	.12	Sterling Pacific	500	.30	.35	.35	.35
	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
No	.16	.03	United	7,800	.08	.10	.08	.09
No	.21	.06	Vanalta	13,100	.20	.21	.15	.17
No	.01	.00½	Wainwell	......	.00½	.....	.....	.....

VANCOUVER STOCK EXCHANGE
(Transaction for Week to June 13)

Par Val.	Range 1933 High	Low	Company	Sales	Close June 6 (or last)	High for week	Low for week	Close June13
25c	.03	.00½	Bayview	66,000	.03	.03	.02½	.03
20c	.10	.02½	Beaver Silver	206,300	.08½	.10	.08½	.09½
25c	.17	.05½	Big Slide	37,606	.08	.08½	.07	.07½
25c	.06½	.02	Bluebird	41,600	.05	.06	.04	.05½
No	9.00	1.38	Bralorne	24,091	8.15	8.55	7.20	7.40
1	.57	.05	Bridge River Cons.	95,010	.45	.50	.40	.46
50c	.71	.35	Bridge River Exp.	103,100	.57	.64	.52	.61½
100	89.00	88.50	B. C. Electric, pfd.	......	88.50	.....	.....	.....
1	1.50	.60	B. C. Silver	1,025	1.35	1.50	1.20	1.35
No	.82	.60	Burns Mountain	4,200	.75	.75	.60	.65
1	4.15	1.50	Cariboo Gold	48,411	3.50	3.75	3.10	3.15
No	12.90	5.60	Coast Breweries	700	10.00	10.25	10.00	10.00
25	.02½	.00½	Cork Province	67,100	.02	.02½	.02	.02½
1	.02½	.02½	Cotton Belt	......	.02½	.....	.....	.....
1	.08	.00½	Dalhousie Mines	31,000	.06	.06	.05½	.06
1	.03½	.02	Dunwell	14,500	.02	.03½	.02½	.03
1	1.00	.28	George Copper	680	.90	.90	.75	.75
50c	.12	.04	Geo. Enterprise	13,000	.07½	.06½	.06	.06
1	.09½	.02	Georgia River	125,900	.08½	.08½	.07	.07½
1	.60	.16	Golconda	3,300	.48	.55	.48	.52
50c	1.00	.60	Gold Belt	30,400	.90	1.00	.90	.95
50c	.11	.03½	Grandview	34,600	.08	.09	.07½	.07½
1	.01½	.00½	Independence	1,000	.01	.01½	.01½	.01½
1	.03½	.02	Indian Mines	19,000	.02½	.03	.03	.03
1	.17	.08½	Inter. Coal	......	.15	.....	.....	.....
50c	.57	.37	Kootenay Belle	49,250	.40	.50	.37	.41
25c	.02	.00½	Kootenay King	7,500	.02	.01½	.01½	.01½
25c	.00½	.00½	L. & L. Cons.	4,500	......	.00½	.00½	.00½
1	.01	.01	Lakeview	......	.01	.....	.....	.....
10c	.06½	.01	Lucky Jim	22,300	.06	.06	.05	.05½
10c	1.05	.20	Meridian Min.	172,250	.67	.85	.65	.69
	.01½	.00½	Marmot Metals	97,100	......	.01½	.00½	.01½
5c	.13	.05	Metaline Metals	6,600	.10	.13	.10	.13
50c	.41	.18	Morning Star	144,100	.25½	.30	.24	.26
1	.06	.00½	Morton Woolsey	201,150	.03½	.06	.04	.05½
1	.29	.09	Native Sons	110,350	.25	.25	.15	.15½
50c	.10½	.00½	National Silver	175,414	.07½	.10	.08	.09½
50c	.82	.74	Nicola	5,400	.82	.83	.81	.83
50c	.21½	.02½	Novle Five	119,515	.18	.20	.15	.17
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
	.35	.30	Pavilion	4,700	.35	.34	.30	.30
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	3,600	15.40	16.10	15.25	15.25
1	.11	.10	Planet	1,000	.10	.10	.10	.10
50c	.19	.04½	Porter Idaho	54,800	.15½	.18	.15½	.16
No	.04	.00½	Premier Border	273,225	.03	.03½	.03	.03
1	.10	.02	Quatsino Copper	11,200	.08	.07½	.03	.03½
No	.42	.10	Reeves McDonald	8,185	.35	.40	.30	.33
	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	149,250	2.20	2.70	2.10	2.52
1	.22	.04	Reward Mining	69,040	.17	.19	.14½	.16
1	.10	.01	Rufus Argenta	139,100	.06½	.08½	.06½	.06½
1	.07	.02½	Ruth Hope	27,000	.05	.06	.04	.06
	.65	.62	Sally Mines	12,100	......	.65	.62	.62
	.15	.03½	Silverado	26,500	.08	.15	.09	.12
25c	.09	.01	Silver Crest	186,750	.07	.08½	.07	.07½
20c	.03½	.01½	Silversmith	9,000	.03	.03½	.03	.03½
50c	.04½	.01	Snowflake	179,000	.02½	.03½	.02½	.03
25c	.06	.06	Sonora	4,500	......	.06	.06	.06
1	.61	.49	Standard Gold	5,000	.50	.50	.49	.50
1	.50	.25	Sunloch	1,000	.50	.45	.45	.45
	.40	.20	Torie	200	.40	.40	.40	.40
50c	.03	.02	Topley Richfield	41,700	.03	.03	.02	.03
50c	.60	.08	Wayside	190,975	.45	.55	.41	.50
25c	.12	.01½	Waverly Tangier	143,350	.09½	.11½	.08½	.09
20c	.05	.01½	Wellington	65,200	.04	.04½	.04	.04
1	.18	.03	Whitewater	48,500	.16	.17	.14½	.16
*	.48	.40	Yankee Belle	700	.48	.46	.42	.42

*Quotations for 1932. No sales recorded in 1933 to date.

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	7.20	Merland Oils†	2½c.	.....
Coniagas‡	12½c.	.....	Noranda‡	50c.	.....
Coniaurum†	3c.	.....	Petrol Oil	*2c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	9.09
Dome Mines	$1+55c.	4.50	Pioneer, B.C.	60c.	3.77
Falconbridge	10c.	.....	Royalite	*1.50	.....
Hollinger	65c.+10c.	7.53	Siscoe	12c.	7.64
Howe Sound	40c.	.....	Sterling Pacific Oil†	*2½c.	.....
Lake Shore	$2+$1	6.97	Sylvanite	4+1c.	4.34
McIntyre	$1.50+12½c.	4.90	Teck-Hughes	60c.	9.16
McLeod Oils†	5c.	.....	Wright-Har.	20c.	3.25

*Stock. ‡Interim. †Initial. *Paid in 1932.

ROYAL INSURANCE SHOWS GOOD REPORT

Fire Business in U. S. A. Only Disappointment in 1932

Fire business of the Royal Insurance Co. in the United States in 1932 proved the only disappointing feature of the worldwide and varied business done by this company. On the basis of the 40 per cent reserve used by the company a small loss was recorded in this business.

Premiums of the fire department from all countries amounted to $28,701,000, a reduction of 5.3 per cent from 1931, due entirely to the reduction in premiums in the United States. Losses amounted to $14,642,000, a ratio to premiums of 51.38 per cent, approximately the same as in 1931. Profit, after deducting expenses and reserve, amounted to $1,406,925, or 4.9 per cent of premiums.

General casualty insurance brought premiums of $25,305,140 and claims amounted to $15,357,775. After payment of expenses and reserve, $168,410 was carried to profit and loss account.

Life policies issued numbered 5.529 for a total of $19,264,645. Total premiums amounted to $9,577,870 and interest, less income tax, to $4,427,155. Claims, including bonus additions, amounted to $6,341,325. After payment of all expenses, a balance of $6,562,070 has been added to life and annuity funds increasing them to $122,646,190.

Probation Period in Quebec for New Insurance Agents

Insurance licenses issued to new applicants in the Province of Quebec in future will be only temporary and a probation period of 12 months will be required before the granting of a regular license, according to a ruling of the Provincial Department of Insurance, it was announced at the annual meeting of the Insurance Brokers Association of the Province of Quebec held in Montreal on June 12. The ruling was influenced by the report of the Insurance Advisory Board on cases dealing with the renewal of temporary licenses, it was stated.

The Advisory Board, following investigations conducted in studying the advisability of a probationary period, has itself come to the conclusion that, even when the applicant intends to devote his entire time to insurance, it is more advisable to grant a temporary license. This, in order to place beyond conjecture the good faith of the applicant.

Dominion Life Creates Two New Positions

Dominion Life Assurance Co. announces the creation of two positions at its head office. Herbert Schaus, who has for a number of years been treasurer of the company, has been advanced to the new post of comptroller. Edward S. Reid, who has been accountant, was appointed assistant secretary. F. L. Whitaker was made treasurer to fill the position vacated by Mr. Schaus.

NOTICES

The Ontario Municipal Board

Notice is hereby given that the Municipality of the Town of Hawkesbury has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an order of "The Ontario Municipal Board" bearing date the 15th day of June, A. D. 1933, and from and after the first publication of this Notice in "The Ontario Gazette" all actions or proceedings against the said Municipality are stayed, and therefore no action or other proceeding against the said Municipality shall be commenced or continued, nor shall a levy be made under a Writ of Execution against it without leave of the Ontario Municipal Board.

Dated this 15th day of June, A. D. 1933.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.
C. R. McKEOWN, Chairman.

DIVIDEND NOTICES

68th Quarterly Dividend

Notice is hereby given that a dividend of Thirty-eight Cents per share (being at the rate of One Dollar and Fifty Cents per annum) on the NEW no-par-value Common Shares of the Company presently issued and paid-up for Quarter ending June 30th, 1933, has this day been declared to shareholders of record, June 30th, 1933, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders July 31st, 1933.

By Order of the Board,
G. R. WHATLEY,
Secretary.

Montreal, June 19th, 1933.

Montreal Light Heat & Power
CONSOLIDATED

Owned by 60,000 shareholders, Montreal Light Heat & Power comprises the largest group of customer-owners possessed by any public utility company in Canada

Mutual Life of Canada Makes Agency Changes

E. V. Crown, L.L.B., who has been general secretary and field supervisor of the Life Underwriters' Association for the past seven years and latterly also associated with the Canadian Life Officers' Association as secretary of the joint committee, has been appointed assistant superintendent of agencies of the Mutual Life of Canada and will assume his new duties on July 1.

E. LeBaron Stears, Toronto, has been appointed agency assistant with head office in Waterloo.

Retirement of J. G. Taylor, C.L.U. manager of the Toronto agency, in order to recuperate his health, has necessitated a number of changes. D. R. Gourlay, C.L.U., Montreal, goes to Toronto as manager; Frank Robinson, Ottawa, goes to Montreal as manager; R. J. Davis, C.L.U., Winnipeg, goes to Ottawa as manager; and N. A. MacMurchy, C.L.U., Edmonton, takes Mr. Davis' place at Winnipeg.

Advertising Linage Moves Ahead in May

From Our Own Correspondent

MONTREAL.—Advertising linage in 52 American key cities continued the uptrend it showed in April. The sharp reversal of last year's declining tendency is shown by the fact that May linage this year, according to Media Records figures published by Editor and Publisher, stood at 89.3 per cent of that of May, 1932, while the April comparison with the corresponding month last year was 83.8 per cent, and the March comparison 69.5 per cent.

In comparing the May linage this year with that for the same month of 1932 it is noted that total linage is equal to 89.3 per cent; display linage only 90.4 per cent; classified, 84.4 per cent; retail, 90.7 per cent; general, 84.6 per cent; automotive, 104.8 per cent; financial, 89.4 per cent; and department store 96.3 per cent.

DIVIDEND NOTICES

General Trust of Canada

Dividend No. 17

A dividend of 1½%, being at the rate of 6% per annum, for the quarter ending June 30th, 1933, on the preference stock of the Company, has been declared, payable July 3rd, 1933, to shareholders of record on June 26th, 1933, at noon.

RENE MORIN,
General Manager.

Montreal, June 19th, 1933.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 20

NOTICE is hereby given that a dividend of Fifty cents per Share on Class "A" Shares of no par value has been declared for the period ending June 30th, 1933, to Shareholders as of record at that date and that same will be payable (less 5% Dominion of Canada tax in the case of non-residents of Canada) by the Montreal Trust Company at its office in Montreal, on July 15th, 1933.

By Order of the Board.
ERNEST ROGERS,
Secretary

Vancouver, B.C.,
June 10th, 1933.

Imperial Bank of Canada

DIVIDEND NO. 172

Notice is hereby given that a Dividend of two and one-half per cent (2½%) upon the paid-up Capital Stock of this Bank, has been declared for the quarter ending July 31st, 1933, payable at the Head Office and Branches on and after Tuesday, the First day of August next, to shareholders of record of June 30th, 1933.

By order of the Board.
A. E. PHIPPS,
General Manager.

Toronto, June 14th, 1933.

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th June, 1933, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Monday, the 3rd day of July, 1933, to shareholders of record of the 20th June, 1933.

By Order of the Board.
Dudley Dawson,
General Manager.

Toronto, 18th May, 1933.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividends of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable July 3rd, 1933, to shareholders of record as at close of business June 15th, 1933.

W. S. BARBER,
Secretary-Treasurer.

Toronto, Ontario.

CANADIAN GENERAL INVESTMENTS LIMITED

Dividend Notice

NOTICE is hereby given that a dividend of Seven and one-half Cents (7½c) per share on the paid-up capital stock of the Company has been declared for the quarter ending June 30th, 1933, payable July 15th, 1933, to shareholders of record June 20th, 1933.

SHARE WARRANT holders will present Coupon No. 20 at the Main Office of the Bank of Montreal in Victoria, Vancouver, Calgary, Edmonton, Winnipeg, Montreal, Halifax, St. John, or at the King and Yonge Streets Branch, Toronto, where payment will be made at par.

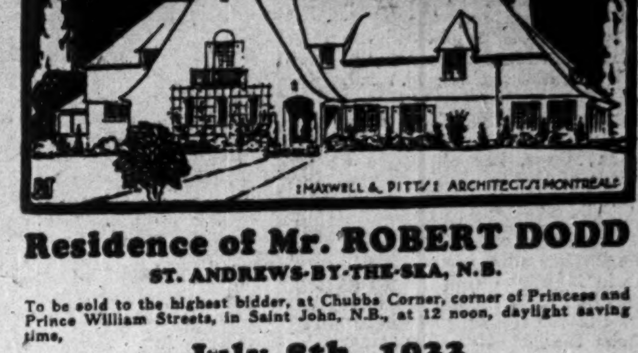
By Order of the Board.
E. M. STRAIN, Secretary.

CLASSIFIED ADVERTISEMENTS

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Real Estate

FOR SALE BY AUCTION



Residence of Mr. ROBERT DODD
ST. ANDREWS-BY-THE-SEA, N.B.

To be sold to the highest bidder, at Chubbs Corner, corner of Princess and Prince William Streets, in Saint John, N.B., at 12 noon, daylight saving time,

July 8th, 1933

Built in 1930 in the most desirable part of the town, on a sloping tree-clad lot, 150 feet wide by 517 feet deep, overlooking the bathing beach and bay.

Considered one of the best built, up-to-date, artistic houses in St. Andrews. Spacious ground floor, 18x28 living room, large verandah and sun room. First floor has 5 bedrooms, 9 cup-boards, 3 tiled bathrooms. Spacious basement. Landscape work completed.

House Cost $45,000 without land.

For Free Plans and Description write:

GEORGE R. BACON
445 ST. FRANCOIS-XAVIER STREET • • MONTREAL

MONTREAL INDUSTRIAL SITE

For Sale at Sacrifice Price

Centre of manufacturing district . . . Unexcelled distribution point . . . Located in north end of city. Size 142' on C. P. R. right of way x 450' deep; area 62,700 square feet; siding for three cars; sewers and water on property. Full particulars from

Westmount Realties Company
1367 Greene Ave. Westmount

Travel

MISS JEAN MACPHERSON IS taking a small party of young ladies abroad for two months—sailing cabin class from Montreal. Cities visited are Edinburgh, London, Paris, Montreux, Lausanne, Geneva, Venice, Florence, Pisa, Genoa, Monte Carlo, Cannes, Nice, etc.

This is not an expensive trip and Miss Macpherson has room for two or three more. For further information phone Kingsdale 0780—652 Huron St., Toronto.

Service for Investors

INDIVIDUAL investors may secure a special service on specific companies in which they are interested. Service includes detailed analyses and all newscards and revisions published on those companies during the year. Send in your list of companies. Rate—$12 a year for any 10 companies. Additional companies pro rata. Or write The Financial Post Corporation Service, 210 Dundas Street West, Toronto, for further particulars.

Verbatim Reports

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to insure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

Miscellaneous

ENGROSSING — CAREFULLY done in beautiful handwriting. Send for samples on request. Charles Hala, c/o The Financial Post, 210 Dundas W., Toronto.

Office Furniture

BOARD ROOM TABLE — MAHOGANY, 4 ft. by 10 ft., $200; cost $400. Good as new. Box 130, The Financial Post, Toronto.

DIVIDEND NOTICES

The Montreal City & District Savings Bank

DIVIDEND NOTICE

A dividend of three dollars per share, for the current quarter, together with a bonus of one dollar per share of the paid-up Capital Stock of this Bank, have been declared and the same will be payable on and after Monday, the third day of July next, to shareholders of record Thursday, the fifteenth day of June next, at three o'clock p.m.

By order of the Board.
T. TAGGART SMYTH,
General Manager.

Montreal, May 29th, 1933.

Canada Bud Breweries Limited

Dividend No. 15

Notice is hereby given that a dividend of fifteen cents (15c) per share on the no par value common stock of Canada Bud Breweries Limited has been declared payable on the 15th day of July, 1933, to shareholders of record at close of business on 30th of June, 1933.

By order of Board of Directors.
E. J. KAY,
Secretary-Treasurer.

Toronto, 16th June, 1933.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st July, 1933,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,
WALTER GILLESPIE,
Manager.

DIVIDEND NOTICES

Silverwood's Dairies Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of one per centum (1%), being at the rate of 4% per annum, has been declared on the Preference Shares of the Company, payable July 3rd, 1933, to shareholders of record at the close of business, June 15th, 1933.

By order of the Board.
J. H. GILLIES,
Secretary.

The Whittall Can Company, Limited

Dividend Notice

Notice is hereby given that a Dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, on the Cumulative Convertible (Redeemable) Preferred Stock of the Company, has been declared, payable July 1st, 1933, to Shareholders of record June 15th, 1933.

By order of the Board.
D. H. MacFARLANE,
Secretary-Treasurer.

Montreal, June 14th, 1933.

The Real Estate Loan Company of Canada, Limited

Notice is hereby given that a Dividend of Two and one half per cent has been declared upon the Capital Stock of the Company for the half year ending 30th June, and the same will be payable at the offices of the Company on and after the 3rd day of July, 1933, to Shareholders of Record of 19th June, 1933.

By order of the Board.
C. A. MORRIS,
Managing Director.

Toronto, 8th June, 1933.

Canadian Mining News

CENT. MANITOBA MEETING JULY 15 MAY BE STORMY

Shareholders Seeking to Block Further Interest in W. A. D. Effort

July 15 promises to be a stormy date in the affairs of Central Manitoba Mines when shareholders convene at a meeting to ratify a further investment of the company's funds in shares of Manitoba Gold Mines, which is principally owned by members of the W. A. D. syndicate.

A protective association comprising shareholders of Central Manitoba Mines, has appointed a committee of five to obtain proxies to assure a large attendance at this meeting.

Not only is the committee opposing the further purchase of 150,000 shares in Manitoba Gold Mines at $30,000, but it is seeking to have returned to the treasury of Central Manitoba the $30,000 paid out for 30,000 shares of Manitoba Gold Mines last year.

That all is not well internally with the Central Manitoba organization is further indicated by the resignation of I. M. Marshall, well known and highly regarded mining engineer, who has resigned as manager of Central Manitoba to take up a similar position position with Reno Gold Mines.

On top of the other developments comes news from a reliable source that ore developments at the property are far from satisfactory and that unless there are more favorable ore developments the suspension of production operations is imminent.

Dissension in Ranks

The dissension in the ranks of Central Manitoba's shareholders over the purchase of Manitoba Gold Mines shares dates back to August 3, 1932, when a deal was ratified purchasing 30,000 shares of Manitoba Gold Mines for $30,000. Some shareholders contend that the agreement was rushed through at that meeting without shareholders being apprised of details, and one court action has already been instituted in protest of the deal.

Manitoba Gold Mines was incorporated with a Dominion charter in August, 1924, at a capitalization of $2,000,000. Of this 2,000,000 share capitalization 1,000,000 shares are held by the W. A. D. Syndicate members and 250,000 shares were issued years ago for original claims, leaving 750,000 shares in the treasury.

W. A. D. syndicate members include Howard Clark Davis, chairman of the board of directors of Central Manitoba Mines; Henry A. Wentworth, president of Central Manitoba, and T. C. Anderson, vice-president and treasurer of Central Manitoba. Manitoba Gold Mines has held claims at Bulldog Lake for several years and when the news of the rush last year into Island Lake leaked out a group associated with the W. A. D. Syndicate chartered a private plane and sent in a staking party to the new area.

Utilizing the charter of the inactive Manitoba Gold Mines, the W. A. D. Syndicate members acted as vendors of the newly staked Island Lake claims to that company. Then turning to the Central Manitoba treasury, an agreement was drawn up whereby that company purchased 30,000 shares of Manitoba Gold Mines stock at $1 per share. Of this amount some $13,000 was used to liquidate the indebtedness incurred and the remaining $17,000 has not been publicly accounted for. What, if any, consideration the W. A. D. Syndicate received as vendors is not disclosed.

The protective committee comprising shareholders of Central Manitoba Mines is now seeking to forestall an effort to divert a further $30,000 of the company's assets to purchase a further 150,000 shares of Manitoba Gold Mines.

Johnson & Ward Sponsor Diversified Gold Investment

Due to the activity in gold stocks, Johnson & Ward, members of the Montreal Stock Exchange, have issued an interesting bulletin on the gold mining industry in Canada featuring a brief history of the growth of gold production as compared with the rest of the world, the increased number of producing gold mines in Canada, the increase in the dividend-paying gold producers and the market performance as compared with industrial stocks.

The booklet is prepared in conjunction with "Shares in United Gold Equities of Canada," a medium of diversified investments in the gold industry, sponsored by Johnson & Ward.

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J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

Canada's Dean of Mining F. C. Loring is Real Pioneer

His Development of Josie Mine Responsible For Founding Rossland Camp in British Columbia

With mining in Ontario forging ahead ever since the turn of the present century and now leading all the other provinces in Canada's production of mineral wealth, Canadians are prone to date Canadian mining importance from the discovery of Cobalt and view the present generation of mining men as the real pioneers in the industry.

Renowned as are many members of this younger generation of mining men they were for the most part still wearing short trousers when Frank Curtis Loring was making mining history for Canada in the Rossland area of British Columbia. With this district now little more than a memory the achievements of its pioneer are being fast forgotten as younger and bigger camps get the spotlight.

"The fool who got off the trail," Loring was called by the prospectors who kept to the north and headed for the Slocan country, then the Mecca for mining men. That was in 1893 when thumbs had been turned down on Rossland or, more precisely, on Trail, as it was then known, owing to the disappointing results from desultory prospecting of a couple of years previous. But those who jeered turned to praise when five years later young Loring got $500,000 for his share of the Josie mine and his persistence in proving its importance.

Came From U. S.

Like most of the early mining engineers in Canada, F. C. Loring was an American citizen of old Pilgrim stock. He was born in 1859 in Valparaiso, Chile, while his parents were on a Government mission to that country. Six years in Latin America and four years in New England found him at the age of ten taking part in the mining stampede to Colorado. In those days there were no railroads to Colorado and Denver was a tedious stage coach drive from Cheyenne, Wyoming, on the Union Pacific. Ranching, odd jobs and an irregular outdoor life culminated in the class of 1883 of mining engineering at the University of Colorado. Experience in the mines at Goldhill, Colorado, followed. There he practised his profession and when business became lean he took a job as clerk of a court under his uncle, the judge, at Murray, Idaho, then in the last stages of a placer camp.

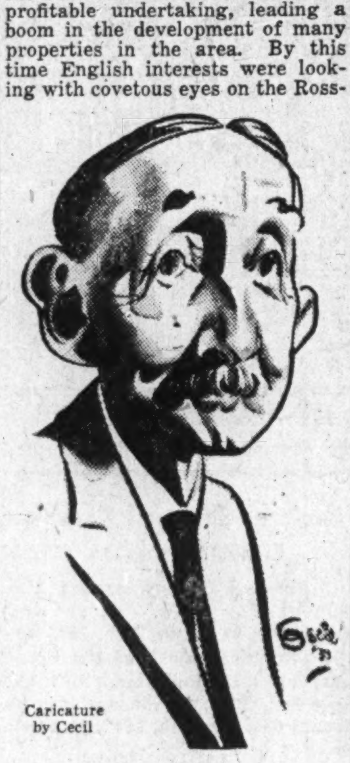
Disputes were common among the workers of the placer leases and one court scene enacted on the second floor of the frame shack that served as a town hall was typical of the stirring times when everyone but the judge and the clerk toted a gun. The plaintiff barked a slanderous remark at the defendant who answered by drawing his gun. The fiery, little sheriff, however, was quicker on the draw and mounting the table he threatened to kill the first man who fired. A general disarmament, with everyone but the judge and clerk disgorging a gun, safely deposited with the latter, restored peace and permitted justice to function undisturbed.

Founded Rossland

The trail of mining was leading north and the silver and the Coeur d'Alene country silver-lead camps in Idaho were beckoning the young engineer. Here he established a reputation in important mining litigation until 1892 when he set up a practice in Spokane, Washington. It was here that the subject of our sketch was commissioned to do a sampling job for Patsy Clark, owner of the Josie mine up Trail Creek, a few miles above its junction with the Columbia River, then called Trail. It is interesting to know that at this time the crude shacks left about what is now known as Rossland sheltered only one survivor of the excitement of a couple of years previous, Ross Thompson, a ne'er-do-well camp follower who stayed on and later gave the camp its name of Rossland. Curiously enough the junction of Trail Creek and the Columbia River, the present site of the big smelting operations of Consolidated Mining & Smelting Co. now takes the name of Trail and some would improperly credit the naming of Rossland to Sir Charles Ross. The founding of Rossland has been properly attributed to F. C. Loring, "the fool who got off the trail," whose persistence and faith in the Josie mine brought attention to a neglected area that afterward resulted in a thriving mining community.

Takes Option on Josie Mine

Mines are made not found, they say; while young Loring did not find the Josie mine, he made it the profitable producer it proved in subsequent years. His sampling of the property for Patsy Clark and the would-be purchasers of that time was so favorable that it brought a check-up by another engineer whose reports were unfavorable and the deal fell through. Young Loring had faith in his own work and checked and double-checked only to get the same results. He then acquired an option from Patsy Clark for $12,000, the first payment to be made in 30 days. Broke but with a wealth of confidence in his own ability he got to Minneapolis on a borrowed railway pass and there got financial support and a deposit wired to Patsy Clark a few minutes before the option expired. Retaining ⅝ interest in the company, the next few years saw the Josie mine blossom out into a profitable undertaking, leading a boom in the development of many properties in the area. By this time English interests were looking with covetous eyes on the Rossland camp and the Whittaker Wright interests, famed London, England, promoters, paid Loring and his associates $800,000 for the Josie property.


Caricature by Cecil

FRANK CURTIS LORING

Makes Canada His Home

The ensuing years found him following the international profession of mining, with a couple of years in Malaga, Spain, and other European points. By 1906 the Cobalt boom was under way and Canada, which had richly rewarded him, again beckoned. Since 1906 Canada has remained his home. The major developments in mining in Ontario that we have known since the turn of the century have each attracted his attention. This year, 50 years after the class of '83 graduated at the University of Colorado, we find him celebrating his golden anniversary of mining. By coincidence two great contributors to mining — the International Nickel Co., and the Canadian Pacific Railway — are also this year celebrating a half century of progress.

Toronto claims his residence in the winter season but summer time finds Canada's dean of mining engineers still busy in the bush looking forward, this time with hopeful eyes on Quebec, confident that another Josie mine is in the making.

Now bent but keen-eyed, this wisp of a man is the parent of two students of the rocks: Miss Frances Loring, Canada's distinguished sculptress and Ernest practising the profession of mining engineer in Canada's hinterland.

Verguas Plant Now Delivered At River Mouth

Construction work toward putting the Verguas Mine, Panama, the property being financed by McVittie-Graham, into production this fall is progressing favorably. All the equipment for the 50-ton mill has been successfully landed by lighter at the mouth of Conception River and many of the supplies have been taken five miles up the river preparatory to transporting to the property, a further five miles overland.

The delivery of this heavy mill equipment from a 150-ton schooner to a small lighter with the surf rolling is no mean feat, but the transfer was accomplished with the loss of only three bags of cement and 100 ft. of pipe. Scows will take the heavy machinery up the river, while a marine railway will portage them over the rough water. A road is nearing completion from the river to the property.

At the mine, development preparatory to production continues favorable. To date some 420 ft. of drifting has been done from the main adit level, all in ore of the same spectacular grade that first attracted attention of the sponsors. The mineable width will be about 5½ ft.

Originally it was planned to construct a 30-ton mill, but all the equipment, including the Diesel engine power, is for a 50-ton capacity.

East Rouyn Gold Mines Has Financial Sponsors

East Rouyn Gold Mines, incorporated in March of this year, has found financial sponsorship by Goldale Mines and Bobjo Mines taking up treasury shares equally and providing funds for development of the company's holdings in Rouyn township some 800 acres in extent along the Pelletier Lake fault and east of the McWatters Gold Mines.

The property was staked by Dave McWatters and associates. The vendors of the property received 1,000,000 shares out of the authorized capitalization of 2,000,000 no par value shares. T. H. Rae, of Toronto, is president of the company. Officials believe that the ground has an excellent chance for finding a recurrence of the McWatters formation and the initial programme, to consist of diamond drilling and surface trenching, will start immediately.

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Northern Aerial Makes Placer Finds In Yukon

Tributary of the Liard River is Site of Intensive Exploration — Other Holdings of the Company Are Getting Attention

What appears to be a placer gold find of importance is under development by Northern Aerial Canada Golds, Ltd., in Southern Yukon. In an unostentatious manner the company has quietly been conducting an extensive programme in the vicinity of the confluence of Sayyea Creek and the Liard River. The find was first brought to the attention of the company by Fred Tigert, a prospector who has been in the district for many years.

Heading the company's party is Tom Creighton, veteran prospector long associated with John E. Hammell and his exploration activities. With him is James Hall, who for the past three seasons has been exploring the copper potentialities of the area adjacent to the Dismal Lake, where a spectacular find of bornite ore was made.

Officials of Northern Aerial Canada Gold are reticent about the find, but reports attach great promise to the discovery and by fall it is expected some definite information regarding its potentialities will be available.

Five Years' Effort

After five years of pioneer effort in Northwestern Canada, employing aeroplanes in a huge exploration programme, the present company was incorporated in February this year as successor to the Northern Aerial Minerals Exploration when that company ran short of funds.

Inheriting some 17 groups comprising nearly 400 claims in various parts of Canada, including a 25-mile square mining concession in the Coppermine River area, the present company started an intensive detailed exploration programme to prove up the acquisitions of the predecessor company. Present interest centres about the development of its gold showings and in Quebec where ten groups comprising 192 claims are to be systematically explored under the direction of Harry Kee, director of exploration for the company. This year four parties are in the field — one already referred to in Southern Yukon, two in Quebec and one in the Pickle Lake area, Patricia district, Ontario, where the company has 62 claims.

Early this spring a steam-driven mining plant was sent to the Pickle Lake property, a camp built and a start has been made toward sinking a shaft to an immediate objective of 500 feet.

Ore Shoot 250 Feet Long

On the main break, 900 feet long, an ore shoot averaging five feet three inches in width on the surface by a length of 252 feet, gave an average assay of $17.97 per ton in gold. In a diamond drilling campaign, conducted in 1929, approximately $100,000 was spent on proving up this ore body.

While the Pickle Lake property in the Patricia district is the only one under active exploration and development in Ontario this year, the company owns eleven claims in Denyes township, Swayze area, Ontario, adjoining the property held by Dome Mines.

In the Island Lake area of Manitoba the company last October located 36 claims in Sagawitchewan Bay.

Northern Aerial Canada Gold is a good customer of the commercial aviation companies. The example it set in the value of aerial exploration has now become commonplace. Thus, after five years of pioneering in the aerial exploration of Canada's hinterlands the company emerges with a long string of prospects to give hope of return of the investment made by the financial sponsors of the undertaking.

SOLLOWAY MILLS APPEAL DISMISSED BY JUSTICE KERWIN

Pertinent Observations Made on Relations Between Brokerage Cos.

In dismissing the appeal of I. W. C. Solloway and Harvey Mills from the judgment of O. E. Lennox, Assistant Master of Osgoode Hall, awarding J. P. McLaughlin $56,000, Mr. Justice Kerwin made some pertinent observations on the activities of Solloway, Mills & Co.

"Once the 'short' position is admitted, no more cogent evidence of conspiracy to injure prospective customers could be found," said Mr. Justice Kerwin, "than a record of a scheme continued throughout the history of the three concerns by which these profits mounted considerably."

Further excerpts from Mr. Justice Kerwin's dismissal of appeal are as follows:

"The same books and records that had been in use by the partnership were to a large extent continued by that company (Solloway, Mills & Co., Dominion charter) and also by the Ontario company, which by an agreement of Dec. 20, 1928, agreed as indicated above, to take over the Dominion company's business in Ontario. All of the books and records filed as exhibits are from the possession of the Ontario company where they had been seized by Crown officers in connection with certain charges laid by the Crown. Under these circumstances it seems to me to be clear that they are evidence not merely as against the Ontario company, but also against the individual defendants whose books and records were continued by the two companies.

"Much was made of the existence of the two companies, although I cannot find any evidence that the Ontario company ever acquired the right to act as a broker in Ontario.

Principal Benefactors Same

"While there was some change in the holdings from time to time as between themselves they were always the principal benefactors of the profits that were enabled to be declared by reason of the 'short' position on the market taken by the partnership and continued by the companies.

"As showing the fictitious character of the two companies it appears that no brokerage was charged by one company to another; no dividends on dividend paying stocks were charged and no interest.

"However, a claim for damages for conspiracy is made in the pleadings against all the defendants and is justified by the evidence."

Subject to one correction in calculating interest Justice Kerwin dismissed the appeal with costs.

Macassa New Mill Now Financed

Macassa Mines has completed the financing of its 200-ton mill, planned for completion this autumn, and 75 per cent of the money has already been paid over to the company, The Financial Post is officially informed.

The annual report of the company dated April 30, 1933, showed current assets of $50,439 and 510,000 shares remaining in the treasury for financing the mill construction.

Siscoe Milling 280 Tons Daily Ore At 975 Ft.

Official reports by Siscoe Gold Mines indicate continued success at depth for this pioneer producer in Northwestern Quebec with present production stepped up to 280 tons daily.

In a progress report, J. M. Forbes, general manager of the company, outlined recent developments as follows:

"Development work on the lower levels continues to show up ore and on the 975, which is the lowest level of the mine, about 250 feet of ore has so far been developed with ore still in both faces going north and south. Of particular interest is a long exploratory drift which has been run to the north and will eventually pass under the lake toward the main land. Drill stations are being cut at 200 foot intervals and lateral diamond drill holes are driven both east and west. At a point about 350 feet north of any previously known ore the first hole to the west cut six feet of quartz. The second hole drilled from the same station showed similar conditions about 50 feet farther north. A crosscut is now being run to this new ore and has about 140 feet to go before reaching it. The Siscoe Vein which is becoming an important vein has been intersected at the 725 level and this point shows three feet of quartz with free gold and high assays. This increases the probable tonnage of the Siscoe Vein materially and should the crosscut to the new ore to the north confirm the diamond drill results so far obtained a very interesting new ore situation becomes possible on the lower levels.

MAYLAND MERGING WITH ROYALITE OIL

Shareholders of Mayland Oil Co. have been advised of a special meeting to be held in Calgary on July 10, 1933, for the purpose of ratifying a merger with the Royalite Oil Co.

Under the terms of the agreement it is proposed that Mayland shareholders convert their holdings into those of Royalite on the basis of one Royalite for twelve Mayland and transfer the assets of Mayland to Royalite.

Mayland has four producing wells, the aggregate production from which in 1932 was 55,117 barrels of crude and discolored naphtha. Royalite Oil Co. is the largest shareholder of Mayland, already owning 500,000 shares out of the issued capitalization of 980,000 shares.

The company earned five cents per share in the last fiscal year, nothing in the previous year, and 16 cents in the thirteen months ended June 30, 1931. No dividends have been paid to date.

Winter Travel to Yukon Placer Find

On the Liard River, near the junction with Sayyea Creek, the Northern Aerial Canada Golds has a property that is commanding the attention of a large exploration party. Early reports are interesting but not until autumn will details be available.

NICKEL TUNING ITS PRODUCTION TO 40 PER CENT

Increased Sales Bring More Units Into Action at Sudbury

Production operations by International Nickel Co. in the Sudbury district have been practically doubled, according to an official statement of Donald MacAskill, general manager of the company.

Taken as a unit, the mines and plants in the district in recent months have been operating at approximately 20 per cent capacity. Due to the present increase in demand for nickel, production has been stepped up to approximately 40 per cent of capacity. The operating schedule of the nickel production now in effect calls for two blast furnaces at Coniston and two reverberatory furnaces at Copper Cliff. The Creighton mine will furnish about 30,000 tons of ore per month and the Frood mine about 100,000 tons per month.

The increase in production will provide employment for some of its former employees who were laid off when operations were curtailed last year but offers no mecca for any influx from outside points.

Refinery Speeds Up

At the Port Colborne refinery, five out of the nine electrolytic circuits are now operating. Within recent weeks there has been a noticeable increase in nickel sales and in line with the company's policy to maintain adequate stocks of nickel the speeding up of production is to keep step with consumption demands.

Exports of refined nickel showed a big jump in May, according to figures just made available by the Dominion Bureau of Statistics.

Total exports of refined nickel were 2,909,800 pounds in May as compared with 1,636,800 pounds in April and as compared with an average monthly export of 1,370,000 pounds during the past twelve months period. Correspondingly the amount of nickel exported in May in the form of ore, matte and speiss showed new record levels. May exports totalled 4,567,600 pounds as compared with 365,000 pounds in April and as compared with an average monthly export of 145,000 pounds during the past twelve months' period. These figures of themselves do not represent any important trend, but coupled with announcement of increased sales and greater production reflect a brisk upward turn in the demand for nickel which, if maintained over a period of months, present a significant picture in the renewal of industrial activity.

PROGRESS REPORT ON PANDORA MINE OMITS ORE WIDTH

Consideration Warranted to Preparation For Production

In a report printed in the U. S. A., and addressed to C. B. Stevenson, president of Canadian Pandora Gold Mines, Douglas A. Mutch, under the date of May 25, 1932, says results at the Pandora property have attained such importance as to demand the immediate consideration being given to carrying the workings to greater depths and preparing for production.

At the 250-ft. level for a length of some 250 feet and a width of 260 feet, three gold-bearing veins have been proved, two of which carry commercial values in gold, states Mr. Mutch. In a total of 430 feet of drifting on these veins, 352 feet has shown ore averaging well above commercial grade with possibilities of making ore at greater depth.

On the 125-ft. level, out of 300 feet of drifting on two veins — the Bell and No. 5 — the entire length has been in ore, the average grade of which has shown some careful channel sampling.

The report further comments that reasonable assurance has been obtained that the two veins, on which work has been concentrated, will yield an average ore grade of $15.

Throughout the report no reference is made to the width of the ore bodies.

GREENE-STABELL SHAFT DEWATERED

Delivery of Heavy Equipment Awaits Completion of Light Railway

Work at the Greene-Stabell Mines in Dubuisson township, Quebec, is progressing favorably, according to John E. Hammell, president of the company. The mine has been pumped out to just above the 600-ft. or bottom level, and it is anticipated that within a few days an intensive development plan will be under way. Geologists for the company are already at the property and have been exploring the upper levels.

Operations are in charge of H. A. Kee, engineering director of the company. A more aggressive programme at the property has been somewhat delayed by the non-delivery of rails for the construction of the light railway from Siscoe Lake to the mine, a distance of some two miles, now about one third completed. Already some heavy equipment has been delivered at Amos on the Canadian National Railway, about 50 miles away, but until the railway is completed it cannot be delivered.

Above the 450-ft. level ore estimated at $500,000 is partially developed averaging from $12 to $16 per ton. An ore body on the surface was exposed for a length of 270 ft. and with this known ore shoot as a backlog an intensive development programme is planned which calls for a 100-ton mill to be in operation early this fall.

Finances are being provided by the sale of 750,000 treasury shares through H. R. Bain & Co., Toronto, at 55 cents per share. To date funds have been provided according to the terms of the agreement, and the assembly of heavier mining equipment now only awaits the completion of the light railway.

Index to Mining Stocks

The weighted index number of 20 mining stocks computed by the Dominion Bureau of Statistics on the base of 1926=100, was 108.1 for the week ending June 15, as compared with 105.2 for the previous week.

Eleven gold stocks rose from 97.5 to 101.6, four gold-copper stocks fell from 141.2 to 140.2, and five silver and miscellaneous stocks rose from 46.1 to 46.8.

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Newfoundland's Coal Hoards Latent Riches

By C. E. A. JEFFERY

With over 250,000,000 tons of coal lying dormant in the carboniferous formation in St. George's Bay, Newfoundland, according to surveys made by reliable geologists; with iron and limestone in the near vicinity, and with other mineralized areas in the neighborhood, what delays the turning to account of this potential natural wealth?

This is the question in the minds of Newfoundlanders as the Dominion devotes itself to the matter of restoring stability and prosperity.

Everything for centuries having been subordinated to the fisheries, development in other directions has been tardy, but today, Newfoundland is undergoing an industrial renaissance. The explanation is obvious. The wealth of the sea, it is unnecessary to say, shows no signs of depletion, but the population of the country is increasing. The standard of education within the last generation has been materially raised, and with the knowledge of applied science that he has gained, the young Newfoundlander seeks additional fields in which that knowledge may be ultilized. Increased travelling facilities have enabled the people to discover that in other countries, possessing natural resources similar to their own, industrial operations are being vigorously carried on, and the natural question asked is why Newfoundland fails to take advantage of the same opportunities.

Wealth of Natural Resources

The question becomes more insistent and persistent as the result of developments in the island during the past quarter of a century. The immense value of the iron deposits in Bell Island, the wealth and importance of the forests and water powers as represented by the newsprint plants at Grand Falls and Corner Brook, and the success that has attended the mining operations at Buchans, regularly supplying shiploads of zinc, lead, silver, and gold concentrates to the world's markets — these are the visible proofs of what has resulted from turning certain natural resources to account, and tend to direct the attention not only of Newfoundlanders but of others as well to other virgin fields that await exploitation.

The first authentic account of the existence of coal in St. George's Bay was given by J. B. Jukes, M.A., F.G.S., F.C.P.S., who in 1840 was engaged to make a geological survey of the island. In his report he described the seam uncovered as three feet thick and of good quality.

In 1864 a geological survey was authorized to be made under the direction of a prominent Canadian geologist, the late Alexander Murray, C.M.G., F.G.S., and in his reports published between that year and 1880, the Jukes' seam of coal measuring three feet six inches and another seam above, known as the Cleary seam, are described, while another measuring four feet was discovered by his senior assistant, the late James P. Howley, F.G.S., who after Murray's time was for over thirty years director of the Geological Survey of Newfoundland.

St. George's Coal Good Quality

The work performed by Murray and afterward continued by Howley has been verified by other well-known geologists since their day. Speaking of the coal in the Jukes' seam, Howley reported that it was of "superior excellence, being a clean, bright, fairly hard coal of a highly bituminous character, and containing a low percentage of ash."

Dr. Herbert Baker, D.Sc., F.G.S., F.R.G.S., who did considerable work in mapping the structural features of the Kent coal fields, was appointed government geologist of Newfoundland in 1926 and he gave particular attention to the St. George's coal areas. Borings which were made facilitated him in making calculations of the coal in the various beds, which he found to be about 210,000,000 tons. In reporting on the property, Dr. Baker said, "In my opinion, the figures I now send you are sufficient to demonstrate conclusively the large amount of coal in the Bay St. George coal field."

Drilling carried out by Thomas B. Sturges, M.A.I.M.E., president of the Pennsylvania Drilling Co., led him to report, "The drilling done so far has proven the coal seams extend to great depth and are persistent. We have proven that the Jukes' seam is a workable seam for perhaps 4,000 ft. to 5,000 ft. in length, with every indication of continuing." Other geologists and mining engineers who have examined the property have been most favorably impressed with its possibilities, while the tests made have shown the coal to be of superior quality.

French Retard Coal Development

It may be asked why the mineral areas in St. George's Bay have remained dormant while on the other side of the Cabot Strait in Cape Breton the coal mines have been actively operating for years and have become the site of the steel plant, obtaining the ore and the limestone used in the manufacture from Newfoundland sources. The chief reason is that until 1904, the west coast of Newfoundland was under the dominance of the French. Claiming an exclusive right to the foreshore, they were able to place an embargo on any and every form of development although they had no claim to a say in the working of mines or the cultivation of the soil. In the meantime, the Cape Breton works were established.

The area in which the coal field so far discovered lie is situated between the Middle Barachois, Robinson's and the Northern Feeder Rivers, about four and a half to nine miles from Robinson's station on the transinsular railway in the district of St. George's. Within sixty-seven miles of Robinson's station is the western harbor terminus of the railway, Port aux Basques, from which steamers ply to Sydney. Twenty miles to the eastward is the capacious harbor of Sandy Point. In order to ensure a shipping port that is always free of ice, it has been suggested that a line might be run to Little Harbo in Lapoile Bay on the south coast, a distance of about 45 miles. The country is heavily timbered and the soil is eminently suitable for cultivation. Extensive iron ore deposits, gypsum, and limestone have been located in Bay St. George, the latter being quarried to supply the requirements of the Sydney steel mills.

Interest in the possibilities of exploiting several of the mineral areas in St. George's Bay has been further stimulated within the past 12 months by surveys undertaken by several concerns and particularly by the investigations of the coal seams by one large corporation. To anyone familiar with the wealth of natural resources and the geographical advantages of Newfoundland it is by no means visionary to foresee the day when the silence of the forests will be shattered by the thousand noisy disturbances that bespeak a hive of industrial activity and when the skies will be darkened by the belching smoke of the chimneys of factories and blast furnaces, converting the age-old stores of Nature's treasure house into goods that the peoples of the world require, and ensuring to Newfoundland permanent prosperity.

Bralorne Mill Now Treating 130 Tons Daily

Earnings by Bralorne Mines, in the ten months of initial production ended December 31, 1932, amounted to $119,834 after all reserves and write-offs, shareholders were told at the annual meeting in Vancouver on June 10. This is equivalent to 12 cents per share on the 1,000,000 no par value shares outstanding.

Operations early in 1933 were speeded up to 130 tons daily as compared with 106 tons average for last year.

An intensive exploration programme started in February, 1932, resulted in the finding of a new ore body lying east of the original shoot. The known limits of this ore body extend from the 8th level to above the 4th level, a vertical distance of 500 feet and the upper extensions have not been explored. Since January, 1933, both the 8th and the 10th levels have been advanced to a point beyond the fault. Both these drifts opened up a large ore body of width greater than anything heretofore seen in the mine. On the 8th level it has a known length of some 400 feet and averages 12 feet in width. On the 10th level for a distance of 350 feet it is very strong and the downward extension is reported assured.

Liquidating Debts

Development since production started has maintained the ore reserves while production has averaged 106 tons daily. As at May 1, 1933, the management estimated the ore indicated between the 8th and 10th levels as being approximately 125,000 tons, or about three years' supply.

Production to December 31, 1932, was $453,931, exclusive of exchange compensation, from 32,637 tons of ore treated, an average recovery of $13.90 per ton. Costs including write-offs were $11.9 per ton.

The balance sheet shows current assets of $86,416. Current liabilities were $123,019. Included in the liabilities were $80,000 owing for advances from the financial sponsors, Bralco Development & Investment Co. and $16,627 owing to [illegible] L. Martin, trustee for Stobie, Fo long & Co., which is secured by first mortgage bearing six per cent interest.

Base Metal Mining Corp.

The 1,020,000 shares of Base Metal Mining Corp., sold by Goldfields Mines Exploration Co, are reported to have changed hands at about $700,000, according to a Reno, Nevada, report home office for Goldfields. The Toronto and New York interests, headed by Frank Eickelberger, are reported as purchasers.

From the first of the year to April 19 sales ranged from 80 to 90 cents per share; since then activity has carried the stock from $1.25 to a recent high of $2.45 per share.

Tailings

Reward Mining Co. state that active work on their various properties in the cariboo and Bridge River district is well under way.